

249140

JPRS-LAM-84-087

24 July 1984

# Latin America Report

19980819 174

DTIC QUALITY INSPECTED 4

**FBIS**

FOREIGN BROADCAST INFORMATION SERVICE

REPRODUCED BY  
NATIONAL TECHNICAL  
INFORMATION SERVICE  
U.S. DEPARTMENT OF COMMERCE  
SPRINGFIELD, VA. 22161

9  
112  
A06

## NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

## PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

24 July 1984

## LATIN AMERICA REPORT

## CONTENTS

## INTER-AMERICAN AFFAIRS

## Briefs

Jamaica-Guyana Fishing Pact	1
OECS Export Standards	1

## BARBADOS

Chamber of Commerce Head Calls for Protectionism (Joy Springer; BARBADOS ADVOCATE, 31 May 84) .....	2
First Quarter Exports Figures for 1984 Reported (Irvine Reid; CANA, 2 Jul 84) .....	3

## BERMUDA

Auditor's Criticism of Government Sparks Political Row (THE ROYAL GAZETTE, various dates) .....	4
Fiscal 1980 Critique 'Inefficient' Charge Finance Minister's Reaction PLP Concern PLP on 'Financial Shortcomings'	
PLP in 'No Confidence' Motion Over Heritage Fund Issue (THE ROYAL GAZETTE, 5, 9 Jun 84) .....	9
Probe of Government Handling Warning to Parliament	
Strains Surface in UBP, PLP, Threaten Leadership (THE ROYAL GAZETTE, 20, 21 Jun 84) .....	11
Pressure for Change in PLP 'Revolt' in UBP Shelving of UBP Constitution	

Swan Holding Off on Replacing Minister of Technology (THE ROYAL GAZETTE, 19 Jun 84) .....	15
Swan Warns Public Economy Faces Serious Challenges (THE ROYAL GAZETTE, 16 Jun 84) .....	16
CHILE	
Marxists Seen Distorting Nation's Image Abroad (Fernando Pradera; Santiago Domestic Service, 2 Jul 84)	17
Briefs	
January-May Exports	19
ENAP Prospecting for Oil	19
Research Agreement With Japan	19
1983 Gold Exports Income	19
CUBA	
New MTT School Inaugurated in Matanzas (Lesmes La Rosa; VERDE OLIVO, 10 May 84) .....	20
Washing Machine, TV Breakdowns Addressed at Services Meeting (Alberto Pozo; BOHEMIA, No 16, 20 Apr 84) .....	24
Labor Force in Sugar Decreasing as Mechanization Grows (Ana Maura Carbo; BOHEMIA, No 17, 27 Apr 84) .....	29
DOMINICA	
Charles Reports Decline in Trade With Caribbean (CANA, 29 Jun 84) .....	31
Briefs	
U.S.-Led Grenada 'Invasion' Hailed	32
Unemployment Reported Down	32
New Press Secretary	32
GRENADA	
NDP Leader Brizan Sees Possibility of Party Alliance (TRINIDAD GUARDIAN, 28 Jun 84) .....	33
Briefs	
Police Arrest Bank Attack Suspect	34
Call for Constitutional Change	34
GUYANA	
Rainford on Caricom Regional Economic Efforts (CANA, 30 Jun 84) .....	35

Details of Burnham Trip, Accords With Bulgaria Reported (GUYANA CHRONICLE, 7, 12 Jun 84; SUNDAY CHRONICLE, 10 Jun 84) .....	37
Views on CARICOM Trade With Bulgaria, by Kamini Persaud Cooperation Agreements	
Foreign Ministry To Have Key Role in Promoting Economy (GUYANA CHRONICLE, 6 Jun 84) .....	40
TUC Leader Slams IMF for Ignoring Plight of Workers (GUYANA CHRONICLE, 6 Jun 84) .....	41
Report on Annual Convention of NAACIE in Berbice (MIRROR, 10 Jun 84) .....	42
Toronto PPP Group Refutes 'Slanders' of Tennessee (MIRROR, 10 Jun 84) .....	45
Water Crisis Looms as One of Two Georgetown Wells Dies (Bert Wilkinson; GUYANA CHRONICLE, 7 Jun 84) .....	47
Briefs	
Cane Farmer Demands	48
Regional Resignations	48
National Food Committee	48
GDR Protection for Chinese	49

## JAMAICA

Senate OK's Budget Called 'Exercise in Fantasy' (THE DAILY GLEANER, 16 Jun 84; THE SUNDAY GLEANER, 17 Jun 84) .....	50
Senate Approval Detailed Analysis	
Labor Minister Issues 5-Point Trade Proposal (CANA, 30 Jun 84) .....	56
Seaga Queried on Status, Role of Parish Councils (THE DAILY GLEANER, 16 Jun 84) .....	57
Merchant Marine Losses for '83 Total \$4.5 Million (THE DAILY GLEANER, 16 Jun 84) .....	58
Gang Warfare Flares; Killing by Police Investigated (THE DAILY GLEANER, 14, 16 Jun 84) .....	59
Hostile Public Reaction Gang Activity	

Manley Criticizes Ineffectiveness of Food Program (THE DAILY GLEANER, 16, 18 Jun 84) .....	62
Persistence of Poverty Continued Need for Subsidies	
Briefs	
PNP on Utility Strike	64
Manley Queries on IMF	64
Montego Bay Airport	64
Police Arrest 140	65
New Transformer	65
Kerosene Price Increase	65
Decline in Petroleum Consumption	66
 MEXICO	
Parts, Equipment Shortages Cut Productive Capacity (EXCELSIOR, 2 Jun 84) .....	67
Israeli Coinvestment Under Study (Teodoro Ducach; EXCELSIOR, 24 May 84) .....	68
Briefs	
New Pharmaceutical Packaging Plant	70
Veracruz: 35,000 Unemployed Masons	70
 MONTSERRAT	
State of Emergency Evoked in Face of Utility Strike (TRINIDAD GUARDIAN, 26, 27 Jun 84) .....	71
Governor's Action Back-to-Work Order	
 PERU	
Interior Minister Discusses Police Corruption, Terrorism (Luis Percovich Roca; OIGA, 4 Jun 84) .....	72
Terms of New Fishing Contract With Soviets Criticized (OIGA, 25 Jun 84) .....	79
 ST CHRISTOPHER-NEVIS	
Opposition Party Questions Election Results (IPS, 28 Jun 84) .....	80

## ST LUCIA

Resolution of Regional Problems Will Help Nation (CANA, 29 Jun 84) .....	81
Government Accused of Falsifying Unemployment Statistics (Editorial; CRUSADER, 26 May 84) .....	83
Government Closes Access to Beaches to Citizens (CRUSADER, 26 May 84) .....	86
Briefs	
'Hercules' Service .....	87

## ST VINCENT AND THE GRENADINES

Briefs	
Manpower Survey .....	88
Rural Development .....	88

## TRINIDAD AND TOBAGO

Prime Minister's Visit to Tobago Reported, Draws Fire (TRINIDAD GUARDIAN, various dates) .....	89
Link to November Election	
Robinson Charge: "Provocation"	
Panday Criticism	
Chambers on Prices, by Clewon Raphael	
Villagers' Complaints	
Chambers on National Unity	
Panday Affirms Alliance Commitment to National Party (TRINIDAD GUARDIAN, 26 Jun 84) .....	96
Hindu Organizations Resolve To Forge New Unity (TRINIDAD GUARDIAN, 28 Jun 84) .....	97
OWTU Levels Charges Against Texaco; 'Losses' Noted (TRINIDAD GUARDIAN, various dates) .....	98
Investigation of 'Fraud'	
Texaco Denial	
Labor Congress Probe	
Cost of Unrest to Texaco	
Opposition ONR Backs Chambers' Firm Caricom Stand (CANA, 5 Jul 84) .....	102

Briefs

More on Padmore Report	103
Trinidad Visitors for Tobago	103
Row Over Foreign Consultants	103
Team for Caricom Meeting	104
Leave for Burroughs	104



## INTER-AMERICAN AFFAIRS

### BRIEFS

JAMAICA-GUYANA FISHING PACT--Kingston, Wed., (CANA)--Jamaica fishing vessels will have great access to fin-fish species in Guyana waters under a new fishing agreement signed by both countries. The Guyana/Jamaica fishing agreement, which will come into force six months after ratification, was signed in Georgetown by Jamaica's Foreign Minister, Hugh Shearer, and Guyana Vice President, Desmond Hote. It was tabled in parliament here Monday. Under the agreement, up to ten vessels will be able to operate in Guyana's fisheries zone at any one time, engaging in fin-fishing on a year-round basis. Shrimping, an important economic activity in Guyana, is prohibited under the agreement, but incidental catches will not constitute a breach. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 28 Jun 84 p 5]

OECS EXPORT STANDARDS--Castries, Tues., (CANA)--Member Governments of the Organisation of Eastern Caribbean States are moving to ensure that their exports meet international standards. Saint Lucia, St. Vincent and The Grenadines, and Antigua and Barbuda are establishing standards institutes in their trade ministries. "The institutes are to serve the so-called LDC's (Lesser Developed Countries), and are expected to guide and assist manufacturers and exporters in the production of quality items in accordance with international requirements," a spokesman for the Ministry of Trade here said. President of the Saint Lucia Chamber of Commerce Charmagne Gardner welcomed the announcement, saying it was vital for the OECS as they geared their productive systems for exporting to the United States. She said that it is hoped that importers will also use the facility to certify that imports comply with international standards. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 27 Jun 84 p 5]

CSO: 3298/942

CHAMBER OF COMMERCE HEAD CALLS FOR PROTECTIONISM

Bridgetown BARBADOS ADVOCATE in English 31 May 84 p 1

[Article by Joy Springer]

[Text]

Outgoing president of the Barbados Chamber of Commerce and Industry has called on the Barbados Government to introduce selective forms of protectionism.

Speaking at the chamber's annual general meeting yesterday, he said there should be constant consultations on this matter between governments, the manufacturers and the distributors.

He said that at the same time, local and regional manufacturers must put themselves in productive and distributive readiness to export to extra-regional destinations by integrating their productive capacities, bulk purchasing of raw materials and joint procurement and satisfaction of orders.

Mr. Knight said that he believed that several individual Caricom Governments having allowed their management and planning policies to go astray were now trying to correct those administrative blemishes by imposing trading sanctions on regional manufacturers and exporters.

He queried whether in strict economic terms, the existence of a Caricom side by side with an Organisation of Eastern Caribbean

States (OECS) could ever be justified.

He said: "Can a region like the Caribbean already short of money, human and material resources afford to dilute its energies into the management of two separate secretariats and the bureaucratic attachments that quickly follow them?"

He said that instead of further fragmenting the region, an effort should be made to strengthen the economic bonds en route to some form of political unification.

Said Mr. Knight: "Caricom has a traditional right to work, because other Cs in the region — Cricket, Carnival, Christmas, the Church — continue to prosper and reap a variety of successes.

He suggested that what was needed was a forthright and fearless attempt at restructuring the regional movement.

And he recommended the decentralisation of some of the Caricom Secretariat's duties and responsibilities.

Mr. Knight said that as some of the major doors of Caricom trade closed to local manufacturers, there was some ray of hope through the Caribbean Basin Initiative.

He however warned that the provisions of the CBI only

represented potentials and that ways and means will have to be found to exploit the Initiative's investment provisions and trading concessions.

He said the CBI will test the ability of Barbadian and Caribbean businessmen to alter their traditional approaches to manufactures and the conduct of business negotiations.

He said the American market called for high standards of products which were competitive in price... "our producers will have to combine efforts in order to ensure that they can meet supplies both in quantities and quality to the American importer."

Joint venture arrangements between Caribbean and American businessmen will also be necessary, he said.

Mr. Knight said the local private sector will need much support from the public sector in areas of air and sea transportation, tax and duties, concessions, coupled with initial understanding from trade unions.

He said: "The challenge is so great that a tripartite advance involving the Government, the trade union movement and the business community is the only solvent."

FIRST QUARTER EXPORTS FIGURES FOR 1984 REPORTED

FLO21821 Bridgetown CANA in English 1804 GMT 2 Jul 84

[By Irvine Reid]

[Text] Bridgetown, Barbados, 2 July, CANA--Barbados' exports were up by nearly \$60 million (1 Bdos dollar; 50 cents U.S.) and imports by just over 50 million for the first 3 months of this year, against sales and purchases for the corresponding period last year, according to the state-run Export Promotion Corporation (EPC).

Barbados' exports during the period January to March 1984 stood at \$163.4 million, compared with \$104.1 million. [as received]

The EPC said that the value of imports moved from \$273 million for the same period this year--an increase of \$52.2 million.

The bulk of Barbados' exports comprised machinery and transport equipment, which included electronic components. The sales brought \$83.6 million this year, against \$47.5 million for the same period last year, an increase of \$36.1 million.

Imports of machinery and transport equipment--mainly cars--rose from \$97.4 million during the period January to March last year to \$107.7 million for the same period this year--an increase of \$10.3 million.

The only other major export during the first quarter of this year was the category mineral fuel and lubricants. Barbados' earnings went up by \$24.8 million, from \$8.1 million during the first quarter of last year to \$32.9 million for the same period this year.

Barbados' other exports during the first quarter of this year included food and live animals, value of which stood at \$4.1 million in this year's first quarter against \$3.6 million for the same period last year. The value of imports of the same items increase from \$34.4 million to \$43.1 million, a rise of \$8.7 million.

Barbados also exported beverages and tobacco, animal and vegetable oils and fats, chemicals, garments and plastic ware.

Imports of mineral fuel and lubricants during the first quarter of this year stood at \$49.4 million, compared with \$29 million for the same period last year--an increase of \$20.4 million.

AUDITOR'S CRITICISM OF GOVERNMENT SPARKS POLITICAL ROW

Fiscal 1980 Critique

Hamilton THE ROYAL GAZETTE in English 18 Jun 84 pp 1, 3

[Text]

Government's handling of public cash has again taken a severe knocking in the auditor's report for the financial year ending March, 1980.

Government auditor Mr. Larry Dennis gave a shocking account in 1981 of the way Government departments had dealt with public money in his review of accounts for the year ending March, 1979.

The sting in this latest report is not as great but, as Mr. Dennis explained: "I am not satisfied that all reasonable precautions have been taken to safeguard the collection of public monies."

He said the reservations he expressed in 1981 about the set-up in 1979 still applied in 1980.

Mr. Dennis highlighted concerns stemming from the department of Accountant General Mr. J. F. Hannam.

"The inability of the Accountant General to direct and control and standardise and improve the accounting functions of departments has led to accounting inefficiencies and personnel ineffectiveness.

"Much of the criticism of the individual departments' accounting matters is due to the fact that heads of department did not receive sufficient guidance from the Accountant General as to what as to what they should be doing," Mr. Dennis insisted.

Very often officers were unsure of the records they required and unsure of the level of expertise needed to maintain them.

In some departments, he noted, it probably meant people who did not meet job requirements having to cope with producing concise records.

The Accountant General is responsible for supervising accounts of all departments, but currently that department was performing primarily as "Government's paymaster," the auditor said.

Citing a different example of confusion within departments, Mr. Dennis said his examinations within Labour and Home Affairs had revealed, among other concerns, that there was no system for monitoring expiry dates of work permits.

Employers, he said, had been renewing permits for non-Bermudians a considerable time after the expiry date.

## 'Inefficient' Charge

Hamilton THE ROYAL GAZETTE in English 18 Jun 84 pp 1, 3

[Text]

Government auditor Mr. Larry Dennis believes that the proposed reorganisation of his department, to be considered by Cabinet next week, will only allow it do the "minimum amount of auditing".

His report for the financial year ending March 1980 contained stinging criticism of Government for failing to heed his call for the earlier reorganisation of the auditing department.

The report has taken an unusually long time to complete — something which Mr. Dennis said had caused him a "great amount of embarrassment".

And the finished product was, he said, the result of "many compromises".

The auditor hinted in his report that the delay was at least partly due to poor organisation in his own department.

Next week the Cabinet will consider reducing his present staff of nine by one but increasing the qualifications of those that remain. In fact, it is likely that three of the present auditing staff will be moved elsewhere in Government service and three new and more highly qualified staff will replace them. One presently vacant post will not be filled.

If Cabinet approves the changes, they are likely to be implemented by late summer.

"The organisation of my department is not in my own control," said Mr. Dennis yesterday. "I have asked

Government to come up and have a look at it but they have never done so."

He thought the delay of the 1980 report was indirectly the fault of Government for failing to reorganise the department.

Considering the new proposals he said: "I think the reorganisation will allow the minimum amount of auditing. Whether Government wants the minimum amount or something more substantial is to be seen."

His own proposals for reorganisation had been different, he said, and would have involved increasing the staff and retaining present members. But he would not say whether he thought his proposals would have been more effective.

"I am reserving my final judgment but I have asked for a review after three years to ensure that this reorganisation does do the job."

Mr. Dennis confirmed that even to get the report completed at this late date had required the assistance of professional staff from local auditing firms and he said he thought he was presently understaffed.

Coming in for a big blast from the report was Accountant General Mr. Jim Hannam, for not helping heads of Government departments with their financial records.

Mr. Hannam, he said, was responsible not just for the accounts of his own department, but for all the Government departments.

In many cases, depart-

ment heads, although in theory responsible for the accounting in their departments, were, in practice, very inexperienced at the task.

"Often these people are desperate for some accounting guidance, but this is not forthcoming, or arrives in a stop-gap fashion," Mr. Dennis said.

The report also painted a dismal picture of the goings-on at the Ministry of Labour and Home Affairs.

Mr. Dennis said passports were often left lying about on office desks, the Official Seal was left out, unsecured, and personnel files had been lost.

Magistrates' Court, too, was a source of worry for the auditor.

Despite recent improvements to the building's structure, and layout, there was a "real danger" that the gains made would be lost, because of staffing problems.

"Maintaining the new system at the present level is not assured, since a comprehensive personnel review has not been completed, and a permanent staff establishment is not yet in place."

"Couple this with the possible inability of the Accountant General to continue supplying staff at present levels, and one is left with the real danger of a gradual deterioration of the gains which have been made."

## Finance Minister's Reaction

Hamilton THE ROYAL GAZETTE in English 19 Jun 84 pp 1, 3

[Text] Finance Minister the Hon. Clarence James said yesterday that he had not yet studied the auditor's serious criticisms of Government's handling of public money.

Dr. James said that from what he could gather, the matters raised in the recently released report of the Government auditor were not directly connected with his portfolio.

"He is dealing with a personnel services problem which is not related to this department," the Minister said.

Asked for his response to the auditor's dissatisfaction with Government's handling of public money, the Finance Minister said: "I have not studied it yet so I am not in a position to comment."

Government backbencher Mr. Harry Viera yesterday spoke of the need for swift action to be taken to correct the problems highlighted by the auditor in his report for the financial year ending March, 1980.

"I have not read it yet, but the charges are serious and if accurate should be rectified quickly," Mr Viera said.

And the auditor, Mr Larry Dennis, said that the areas covered in his report clearly came within the ambit of responsibility of the Minister of Finance.

"The authority to improve the system within Government is situated with the Minister of Finance and the Cabinet Office.

"That is where the buck stops," Mr Dennis said.

He said that the eight pages of observations made at the beginning of his report--in which his concerns and frustrations are laid out--were forwarded to the Ministry of Finance in March.

The rest of the document--largely statements of accounts--had been made available to the Minister last Thursday morning.

The most recent report of the auditor is the second document in which he has criticised the way Government departments have dealt with public money.

His latest report says: "I am not satisfied that all reasonable precautions have been taken to safeguard the collection of public monies and that the law relating thereto has been duly observed...."

Mr. Dennis states that his final report is the result of many compromises that had to be made within the boundaries of professional prudence.

His report also hints at attempts to prevent him publishing comments critical of the Government.

"In order to speed up my reports, it has been suggested that I discontinue the observation section for the time being. In my opinion this is not the answer, even in the short term," the report says.

Asked yesterday who had

made that suggestion, Mr. Dennis declined to say, save for that it was someone within the Government.

Mr. Viera said that under the Constitution, the auditor was independent and his hands should not be tied.

One way of solving the problem of the delay between reports, Mr. Viera said, might be for the auditor to prepare interim reports on areas about which he had particular concerns.

He also suggested the setting-up of a special task force of retired businessmen, possibly headed by a Member of Parliament, to study the economies and effectiveness of each civil service department.

It is understood that the

Opposition will raise the contents of the auditor's report in Parliament on Friday when the House of Assembly debates a motion of no confidence in the Government.

Coincidentally, the motion to be put by the Progressive Labour Party concerns the Government's handling of the people's finances, specifically relating to the establishment of the Heritage Fund investment.

Dr. James said yesterday he thought it was unlikely that the Opposition would attempt to connect the two issues.

"I think it is only very, very remotely connected," he said.

#### PLP Concern

Hamilton THE ROYAL GAZETTE in English 20 Jun 84 p 3

[Text]

The Progressive Labour Party is calling on the Governor, Viscount Dunrossil, to ensure that the Government Auditor, Mr. Larry Dennis, is able to carry out his job properly.

In a statement issued last night, PLP spokesman Senator David Allen emphasised the fact that the auditor's position and function was clearly laid out in the Constitution.

He expressed concern over Mr. Dennis' indications that he could not operate efficiently because he lacked logistical support from Government.

"This situation, coming so soon after Mr. Dennis' original strong criticism of the handling of public money by Government, requires swift action at the highest possible level."

He noted that the Constitution made the auditor responsible only to the Queen's representative and was not appointed on the advice of the Premier or Finance Minister.

"The Constitution makes it clear that the Government Auditor should not be frustrated in any way in fulfilling his constitutional functions.

"There is grave concern that the lack of logistical support being given to Mr. Dennis, whether through funding or staffing, or assistance by other Government officers, is indeed impeding him from properly monitoring Government management of public money."

He continued: "Clearly Government collectively and the Finance Minister specifically, are frustrating the auditor from properly fulfilling his functions and are exercising defacto control over him."

PLP on 'Financial Shortcomings'

Hamilton THE ROYAL GAZETTE in English 21 Jun 84 p 6

[Text]

The auditor's critical annual report was just one page in a catalogue of Government financial shortcomings, Mr. Eugene Cox, Shadow Minister of Finance, said last night.

Mr. Cox called on the Premier, the Hon. John Swan, to make a clear and forthright statement to the whole country answering criticisms of his Government's financial management.

He described the behaviour of former Minister of Finance, the Hon. David Gibbons, as autocratic and accused him of failing to develop an effective system of monetary controls.

"The auditor's report highlights the gravity of the situation and the degree of inefficiency in the financial management of the Country's funds," said Mr. Cox.

"The report, coming at this time, is even more disturbing because it is more than a single critical document - it is a single page in a catalogue of events that have occurred over a period of time that, in my view, cry

out for in-depth corrective action to be taken."

Mr. Cox said these events included:

- The Bermuda Monetary Authority reporting a decline in the current balance after many years of surplus.
- An International Monetary Authority consultant stating that the "balance of payments true picture not known".
- The failure of the Coral Island Club.
- Reports in *The Royal Gazette* that the former Finance Minister knew some nine months earlier about the Coral Island Club being in difficulty.
- The Bermuda Monetary Authority functioning without a chairman for 18 months.
- The resignation of the Monetary Authority general manager and chief executive officer.
- The resignation of members of the Government-appointed Price Commission.
- The report of the auditor highlighting inefficiencies in the financial management of the Country's funds.

CSO: 3298/946



# PLP IN 'NO CONFIDENCE' MOTION OVER HERITAGE FUND ISSUE

## Probe of Government Handling

Hamilton THE ROYAL GAZETTE in English 5 Jun 84 p 2

[Text] The Opposition last night pledged to take action at the highest Parliamentary level to probe the Government's handling of the promised \$200 million Heritage Fund investment.

It is believed that the Progressive Labour Party could call on the House of Assembly to set up a Parliamentary select committee to investigate the entire issue of the Fund and its future.

It would appear that the only other options open to the Opposition to have the investment fully debated by the House would be either to seek the Speaker's agreement to have the matter referred to the Rules and Privileges Committee, or to raise the matter on the motion to adjourn at the close of Friday's meeting.

A statement issued by Mr. Eugene Cox, Shadow Minister of Finance, last night said that the PLP would be taking "further steps at the highest Parliamentary level to investigate Government's handling of its so-called 'Heritage Fund'."

Mr. Cox said: "The entire affair will be on the agenda for the PLP Parliamentary Group's regular caucus meeting on Wednesday night, prior to further action on the floor of Parliament.

"The PLP is deeply concerned over the less than forthright, and indeed, muddled presentation by Dr. James during Friday's House question period."

In view of the magnitude of public funds involved and the demonstrated insecurity of the investment, said Mr. Cox, the Opposition believed the public had a right to clear-cut Government action to safely secure the balance of money intended for the Fund.

The Opposition's move follows statements made in Parliament last Friday by the Hon. Clarence James, Minister of Finance, indicating that the future of the Heritage investment plan was in doubt.

Dr. James told the House of Assembly that there was no certainty that the investment proposal promised in this year's Budget Statement would be carried through.

The establishment of the Heritage Fund was revealed last February by the former Minister of Finance, Mr. David Gibbons.

He told the Parliament that the Government's Consolidated Fund held a healthy surplus of \$13 million, and that the bulk of these funds were to be set aside for future generations.

Mr. Gibbons said that he had instructed the Accountant General "over the coming weeks" to purchase \$200 million face value of United States Treasury stripped zero bonds, maturing in 2012, at a cost today of approximately \$8 million.

But in Parliament on Friday, Dr. James, responding to questions from two Government backbenchers, admitted that only half of the investment as outlined by Mr. Gibbons had actually been made.

Dr. James said he was unable to tell Members whether it was true that if the Government sold now the bonds it had already bought, it would suffer a loss of \$1 million.

He revealed that the bonds already purchased would not be placed in a separate Heritage Fund, but would be retained as part of the Consolidated Fund.

"I cannot say for certain that all the bonds will be purchased as stated by my predecessor, nor can I say that all the bonds purchased will remain in perpetuity until 2013 and not be traded," Dr. James said.

The Opposition Shadow Minister of Finance said that Dr. James had been unacceptably vague in answer-

ing questions as to whether the entire investment, as originally intended, would be made.

"This directly contradicts Government's statement in its Budget Speech in February, and the latest evasions are strange indeed when one considers that the then Finance Minister, Mr. David Gibbons, is now chief economic adviser to Dr. James, in his capacity as Chairman of the Economic Council, as well as the Bermuda Monetary Authority," Mr. Cox said.

### Warning to Parliament

Hamilton THE ROYAL GAZETTE in English 9 Jun 84 p 1

[Text]

The Heritage Fund row was further fuelled yesterday when the Opposition gave notice to Parliament of a motion of no confidence in the Government.

Mrs. Lois Browne Evans, Opposition Leader, warned that her Party would be calling for the dismissal of the Hon. David Gibbons as adviser to the Minister of Finance, and for the resignation of the Premier, his Cabinet and the entire Government.

The censure motion to be moved by the Progressive Labour Party is the most serious Parliamentary action which can be taken by an Opposition.

Mrs. Browne Evans put the House of Assembly on notice that next Friday her Shadow Minister of Finance, Mr. Eugene Cox, would move the following motion:

● "That this House has no confidence in the financial and economic ability of the Government to care for the needs of the people of Bermuda and to provide for their economic welfare;

● "That Government's unwise handling of the people's finances as exhibited by the creation and management of the Heritage Fund warrants the immediate dismissal of the Hon. David Gibbons as an adviser to the Minister of Finance;

● "And that this House calls for the resignation of the Premier and his whole Cabinet, i.e., the Government."

It is up to the Government to decide when the Opposition's no confidence motion will be debated by the House.

But it is unlikely that the Government will allow such an important matter to re-

main on the business paper for too long, even though the Opposition has no realistic chance of success.

The censure motion follows criticism by both Government and Opposition Members of the Government's handling of the promised Heritage Fund investment.

Last week, the Hon. Clarence James, Minister of Finance, indicated that the future of the Fund was in doubt while answering formal Parliamentary questions submitted by UBP backbencher Mr. William Cox.

The Hon. Clarence James, Minister of Finance, told the House then that there was no certainty that the \$200 million for \$8 million investment promised by his predecessor, Mr. Gibbons, would be carried through.

# STRAINS SURFACE IN UBP, PLP, THREATEN LEADERSHIP

## Pressure for Change in PLP

Hamilton THE ROYAL GAZETTE in English 20 Jun 84 pp 1, 3

[Text]

Pressure appears to be mounting within the rank-and-file of the Progressive Labour Party for a change in the Opposition's leadership.

The latest evidence of dissatisfaction with the performance of the PLP's leaders appears in the current issue of the Opposition's official newspaper, *Party Line*.

An article, written by long-time PLP supporter Mr. Eugene Woods, criticises the party's failure to bridge the gap between issues of the 1960s and those of today.

"Meaningful change is imperative at the leadership level to meet the challenges of the ruling Party," Mr. Woods wrote.

This is not the first time that PLP supporters have used the newspaper as a forum to question the leadership. Since the newspaper's inception last October, *Party Line* has carried a number of articles calling for change.

Although Mrs. Lois Browne Evans, the Opposition's leader of ten years' standing, has not been singled out for criticism, it is apparent that some within

the party believe it is time for her to go.

While Mrs. Browne Evans is still held in high personal esteem by all sections of the party, she is seen as the figurehead of a party of failing fortunes who last year led the PLP to its worst defeat in years.

*The Royal Gazette* has learned that, to some degree, these feelings are reflected within the PLP Parliamentary group, among members who are disconcerted by a lack of direction from, and sense of apathy within, the leadership.

It is clear that there is also frustration within the party that the PLP hierarchy does not take kindly to questioning of its leadership, and retains a constitution which makes it very difficult for a leader to be removed.

In December last year, Mr. Calvin Smith, recently defeated in the Pembroke West by-election, made this point in an article he wrote in *Party Line*.

Mr. Smith wrote of the need for unification, but said that this did not mean that all PLP members had to agree on all matters.

"However, it does mean that members should be comfortable in the knowledge that they can dissent without being accused of a mythical 'sell out' to Front Street," he said.

Mr. Smith called for the correction of glaring defects within the party constitution, and listed among them the need to remove the anomaly of the requirement that an Opposition Leader must be selected within 72 hours of a General Election.

He also urged the establishment of "procedures whereby the rank and file are guaranteed an unfettered discussion of the performance of the leader and the Parliamentary Group".

In the April/May issue of *Party Line*, a further call for change was made by former election candidate, Mr. Dale Butler.

"Everytime I hear PLP Parliamentarians respond to UBP programmes, I end up knowing more about the UBP than what we would do if we were in power," Mr. Butler wrote. "Therefore, I feel a change is needed!"

He wrote of the idle rhetoric of MPs and their lack of programmes.

"Let's take three Parliamentarians as examples. What has Harry Viera ever attempted to promote as a constructive programme for the benefit of youth, senior citizens or education, to name but a few issues? What about Stanley Lowe or Stanley Morton?"

"We the people should know. If they have no constructive thoughts, they should resign."

In the latest *Party Line*, Mr. Woods writes that the PLP must have a leadership structure which can adapt to new situations and new issues.

"If we are to enjoy any political success, we must

recognise our relative position. The party's ideology has to be more broadly based to attract not only the new generation of blacks, but also the white population," Mr. Woods says.

Mrs. Browne Evans was off the Island yesterday and could not be contacted for comment.

But PLP spokesman Senator David Allen said that Mr. Woods' allegations that the party had failed to adapt to a changing environment were fundamentally inaccurate.

"There is no question that the PLP is on the vanguard of change in this country. We have been on the front wave of change and continue to be," he said.

Sen. Allen said that there was widespread support within the PLP for Mrs. Browne Evans, who only last year had been re-elected leader by an almost three-to-one ratio of conference delegates.

He said that while *Party Line* was the official organ of the PLP, it encouraged contributions from people with divergent points of view.

"Just because someone has an opinion, and it is published in *Party Line*, does not mean that it is official party policy."

Such an article indicated the maturity and security Mrs. Browne Evans enjoyed.

"She is a strong enough leader to be able to encourage this type of dialogue," Sen. Allen said.

*Party Line* is edited by PLP member and former candidate Mrs. Kathleen Bell. She said that Mr. Woods was a "staunch supporter of the PLP, and has been a longstanding member dating back to the party's inception".

"*The Party Line* publishes the views of a broad spectrum of the general PLP membership," she said.

'Revolt' in UBP

Hamilton THE ROYAL GAZETTE in English 20 Jun 84 p 1

[Text]

A row over the United Bermuda Party's amended constitution is threatening to crack the smooth facade of Premier the Hon. John Swan's leadership.

A group of disenchanted UBP Parliamentarians and Party members — including at least one Cabinet Minister — tonight will attempt to have recently adopted changes to the constitution declared null and void.

They have written to the Party chairman, Mr. Robert (Skippy) Lewis, claiming that the March meeting at which the amendments were ratified was not properly constituted and that the changes are therefore invalid.

They are concerned that the amended constitution diminishes the power of Party branches to choose election candidates and gives too much authority to a central committee.

They are also upset by rule changes which will prevent any within-Party challenge to the Premier as an election candidate.

The authors of the letter fear that those in authority could use the new system to ensure that only the election candidates they want will be selected.

One Party member said last night that the amendments were seen by some as symptomatic of a move towards centralising — and thus reducing — the power-base of the Party.

The amendments to the UBP constitution were approved at a meeting of the Party's Central Council on March 21.

Mr. Ed Williams, UBP executive officer, said last night that under the new constitution, branches had been given 30 days from the date of that meeting to propose further amendments, and tonight's meeting would consider new proposals put forward.

He confirmed that a group of 14 members had written to the Party chairman questioning the validity of the earlier meeting.

Their proposed amendment — moving that the constitution be returned to the status quo — would be dealt with first tonight before any further suggested amendments were considered.

## Shelving of UBP Constitution

Hamilton the ROYAL GAZETTE in English 21 Jun 84 p 1

[Text]

The United Bermuda Party has shelved its controversial new constitution.

The Party's Central Council agreed last night to revert to its old set of rules until a review has been carried out of the recently ratified amendments to the constitution.

This decision follows the development of an inter-Party dispute over the rule changes and a letter of protest being signed by 14 disenchanted UBP Parliamentarians and Party members.

The letter was sent to UBP chairman, Mr. Robert (Skippy) Lewis after the March meeting of the Central Council which approved the new constitution.

The authors claimed that the earlier meeting was not properly constituted and that the changes ratified by it should be declared null and void.

They were concerned that the new constitution diminished the power of Party branches to choose election candidates and gave too much authority to a central committee.

They were also upset by rule changes which would prevent any within-Party challenge to the Premier as an election candidate.

The first item on the agenda of last night's meeting was a motion from that group that the constitution should be returned to the status quo.

Mr. Ed Williams, UBP executive officer, told *The Royal Gazette* after the meeting that the motion, put by the Hon. Ralph Marshall MP, was unanimously approved by the council.

The 68 members present had agreed that the new constitution should be reviewed and that the Party would revert to the old 1977 constitution in the meantime, Mr. Williams said.

CSO: 3298/944

# SWAN HOLDING OFF ON REPLACING MINISTER OF TECHNOLOGY

Hamilton THE ROYAL GAZETTE in English 19 Jun 84 p 1

[Text]

Premier the Hon. John Swan is unlikely to take any action until the end of the month on his Technology Minister's request to be replaced in the Cabinet.

It is believed that the Premier is reluctant to let the Hon. John Stubbs go, and that he is waiting to see if the situation which led to the Minister's decision to quit resolves itself.

As disclosed by *The Royal Gazette*, Dr. Stubbs, Minister of Industry and Technology, wrote to the Premier last month seeking to be relieved of his Cabinet duties.

This was confirmed last week by Mr. Swan, who said that Dr. Stubbs had not specified any time for his departure from Cabinet, and that the reason the Minister had given for his decision was related to the amount of time it was necessary for him to spend in his practice.

Although Dr. Stubbs has declined to comment on the matter, it is known that his request to be replaced was prompted by a disagreement with his Cabinet and medical colleague, the Hon. Clarence James.

Dr. Stubbs is opposed to moves by Dr. James and another surgeon, Dr. James King, to employ a non-Bermudian surgeon because he believes there is no justification for the surgeons' plan, which would disadvantage other doctors.

Dr. James confirmed last week that he and Dr. King had sought Immigration approval to employ a non-Bermudian surgeon.

He said he had not yet been notified of any Immigration decision on their request.

*The Royal Gazette* understands that no decision on the surgeons' work permit application will be made until the Hon. Sir John Sharpe, Minister of Home Affairs, returns to Bermuda at the end of the month.

The Premier is not prepared to interfere in Immigration's decision-making process, but, it is believed, he is willing to wait and see which way the work permit application goes.

For, if Dr. James' application to bring in another surgeon is rejected, it may be that Dr. Stubbs will change his mind and withdraw his request to be replaced.

It is understood that the views of the Bermuda Medical Society have already been sought on the need for another surgeon, and that a special meeting of the Island's surgeons were firmly against the proposal.

## SWAN WARNS PUBLIC ECONOMY FACES SERIOUS CHALLENGES

Hamilton THE ROYAL GAZETTE in English 16 Jun 84 pp 1, 4

[Excerpt]

Premier the Hon. John Swan yesterday delivered a stern warning to Bermudians that all was not well on the Island.

Speaking in the House of Assembly, Mr. Swan said that the Island's economy was facing serious challenges.

And he warned that the labour crisis that has crippled the Island's broadcasting industry was "just the tip of the iceberg".

"I am putting this Country on notice that the world is moving ahead," said Mr. Swan. "And if we think the world owes us something, then we're mistaken."

Mr. Swan's tough-worded speech was delivered only hours after he had returned from a trip to Baltimore to mark the official start-up of British Airways service to that city. Mr. Swan also visited Washington.

"There are some serious problems in tourism, and the international company industry," said Mr. Swan. "These opportunities are under threat and can possibly vanish if we are not careful."

"What has happened at ZBM is only the tip of the iceberg. It is a manifestation of the real problems that exist in this Island."

"We have enjoyed a luxur-

ious life for the past 20-25 years. And we have built in an awful lot of expectations."

Mr. Swan said that the Country — and the House of Assembly — needed to work together to resolve the problems that faced the Island.

"One talks about the responsibility of management, but I also talk about the responsibility of the union," said Mr. Swan.

He also criticised the Progressive Labour Party which, he said, was being led by Mr. Ottiwell Simmons, President of the Bermuda Industrial Union.

Shadow Minister of Finance Mr. Eugene Cox was also slammed for displaying "abysmal ignorance" — particularly by claiming that the work force comprised 30 percent non-Bermudians.

"It's never been close to that," said Mr. Swan, adding, "That is an example of the cheap political tricks this Honourable Member uses in this House."

Mr. Swan challenged Mr. Cox's demand that UBP Members resign positions in the private sector that could lead to a conflict of interest by suggesting that Mr. Cox — employed by the Bermuda Electric Light Company — should also resign his position.



CHILE

MARXISTS SEEN DISTORTING NATION'S IMAGE ABROAD

PY021618 Santiago Domestic Service in Spanish 1100 GMT 2 Jul 84

[Commentary by journalist Fernando Pradera]

[Text] Good morning listeners. Communism does not slacken its actions against Chile. Their campaign is intense both inside and outside Chile. Everything required to maintain and to worsen the [bad] Chilean image abroad and to distort whatever the government is doing for the low-income sectors is being done. The Chileans who travel as tourists or for work to Europe or to any other country notice this bad [word indistinct] of international communism.

For example, the BBC in London recently showed a film starred in by the Marxist actor [name indistinct]. Those who have seen this film in London tell me that technically this film is good, the actor's performance is outstanding, but the entire movie, which was filmed in Chile, shamelessly fabricates the real situation in Chile concerning human rights, thus casting an image abroad that is frightening.

What is strange in cases like these, in my opinion, is that there is no quick reaction on the part of those who are charged with dismissing or clarifying these Marxist slanders. This is what Chileans have told me. The latter expected that the Chilean Embassy in London would deny, clarify, or lodge a protest in this regard. But nothing of the sort happened, at least during the time that the abovementioned Chileans were in England. Then they showed me a clipping of the newspaper MIAMI HERALD that published a false report on the construction of the Lo Curro building, which is intended for Chilean presidents, and not for Pinochet alone. In this case, there was no denial either.

One asks oneself what are cultural or press attaches for? These cultural or press attaches are assigned to those countries precisely to draw a real, objective, and stable image and [word indistinct] the government of the extraordinary social tasks that have been undertaken over the past 10 years and every one of the modernizations that have come about.

I do not believe that this is due to fear, apprehension, or a lack of decision-making capability. However, it may be due to maintaining comfort,

they do not want to get their hands dirty. But, if this is the case, there is no justification for spending significant amounts of money for maintaining in their posts people who are out only to earn a good salary in dollars.

Communications should be one of the most daring and effective policies of a modern government. There should be an unbending action to counter the Marxist actions both inside and outside Chile, without leniency.

Chileans respect energetic moves, order, and tranquillity. Chileans do not accept weakness or half-way measures. The respect paid to President Pinochet is exactly due to his energetic moves taken without weakness. But the various sectors are not always consistent in this attitude--as shown in this intense Marxist campaign against his government.

Today we are only giving two of the many examples which may be noticed in all foreign countries, examples which are noticed and commented on by Chileans who travel to those countries.

CSO: 3348/474

## CHILE

### BRIEFS

JANUARY-MAY EXPORTS--At a press conference Export Promotion Director Julio (Brisborne) reported that exports increased \$70.5 million during the first 5 months of 1984, compared to the same period last year. He added that mineral exports, which represent more than 50 percent of Chile's exports, decreased \$59.6 million during the same period. Similarly, he said that exports of seafood and industrial products increased \$64 million and \$66 million, respectively. He added that exports totalled \$3,826,000,000 during 1983 and that they are expected to reach \$7,027,000,000 in 1989. [Summary] [Santiago Domestic Service in Spanish 1100 GMT 22 Jun 84]

ENAP PROSPECTING FOR OIL--Antofagasta--ENAP [National Petroleum Enterprise] General Manager Alejandro Marty has stated that ENAP is conducting studies to confirm the existence of an oil basin in the first and second regions. He added that ENAP has been carrying out exploration activities at the Pampa del Tamarugal and the Salar de Atacama over the past few months, because it is believed that there is a basin similar to the one existing in Argentina which might contain oil. [Excerpt] [Santiago EL MERCURIO in Spanish 4 Jun 84 p C7]

RESEARCH AGREEMENT WITH JAPAN--An agreement whereby Japan will donate approximately \$5 million to construct and equip a hydrographic and maritime research station in Coquimbo in the fourth region was signed at the Foreign Ministry at noon on 5 June by Foreign Minister Jaime del Valle and Japanese Ambassador to Chile Koichi Komura. It was stated that the donation is aimed at promoting studies on the production, protection, and increasing of Chilean maritime resources. [Summary] [Santiago EL MERCURIO in Spanish 6 Jun 84 p C5]

1983 GOLD EXPORTS INCOME--Mines Minister Adviser Blas Cuevas Marty has reported that Chile obtained \$230 million from gold exports during 1983, adding that 1983 production neared 20 tons of refined gold, according to statistical data. He said that official production was 17.2 tons, taking into account the production of ENAMI [National Mining Enterprise], CODELCO [Copper Corporation], and the El Indio mine. He added that private agents exported and also sold to the Central Bank a total of 2.7 tons. He concluded by stating that the Central Bank has acquired 3.8 tons of gold since July 1983. [Summary] [Santiago EL MERCURIO in Spanish 4 Jun 84 p C2]

CSO: 3348/474

## CUBA

### NEW MTT SCHOOL INAUGURATED IN MATANZAS

Havana VERDE OLIVO in Spanish 10 May 84 pp 7-9

[Article by Lesmes La Rosa]

[Excerpts] This is a day of celebration for the people of Matanzas. Today they took an important step forward in preparing the people for defense, by inaugurating the "Comandante Horacio Rodriguez Hernandez" Provincial School of the MTT [Territorial Troops Militia] in Jovellanos. The inaugural ceremony was conducted by Army Chief Raul Castro Ruz, who is also second secretary of the Communist Party of Cuba and minister of the Revolutionary Armed Forces.

Accompanying Raul at the ceremony were leaders of central state administration organizations: Esteban Lazo Hernandez, Humberto Miguel Fernandez, Raul Rodriguez Lopez, and Joaquin Bernal Camero, first secretaries of the Party in Matanzas, Cienfuegos, Villa Clara, and Sancti Spiritus, respectively. Also present were local party and government leaders and FAR generals and officers.

Behind the platform, printed in large letters, was a Leninist saying that more than once has been proven by history: "Any revolution is worthwhile only if it can defend itself."

#### The Ceremony

The units composed of students and officers marched in perfect formation. The call to attention vibrated throughout the area. Solemnly and in time with the music of the drums, they received our national flag, carried and escorted with military bearing by the three military groups making up the unit. The leader of the troops then ordered a halt.

At this point, Col Raciél Falcon read the order of the FAR minister conferring the Distinguished Service decoration on a

group of officers and residents of Jovellanos for their outstanding performance in a class recently conducted to demonstrate the defense of an area of this city.

The text of the citation states that their activities clearly demonstrated the level of organization the nation has attained in involving all the people in defense. It also congratulated those who were decorated for their work.

Immediately afterwards, Gen Raul Castro, Esteban Lazo, and Brig Gen Gustavo Fleitas went to the side of the platform and awarded the decorations.

A solemn pledge was taken by all the personnel of the center being inaugurated. It was read by militia member Neivis Mora Gonzalez, a young primary school teacher who is now serving as a teacher for the military.

This pledge states that the "Comandante Horacio Rodriguez" leaders, officers, students, and civilian workers have promised to work with dedication and perseverance to improve defense readiness. To do this, they plan to increase their political-ideological, military and methodological skills, to maintain strict observance of attendance and punctuality rules in all activities of the school, and to observe scrupulously the regulations governing military courtesy, discipline, and internal order, including care for socially-owned property.

The pledge also covers the satisfactory execution of plans and programs, improvements in planning methods and control of the instruction process, optimum use and proper maintenance of equipment, arms, and the materials used for training; the multilateral conservation of all resources, and development of socialist emulation.

The intention underlying their commitment is to make this school one of the best of its type in the nation. They say they are already working with commitment and firmness to attain this objective.

The ceremony also included the unveiling of a bust of Comandante Horacio Rodriguez by Raul and Lazo. At this time there was a minute of silence in honor of this revolutionary soldier from Matanzas, a member of the Granma expedition, who fought in the Sierra Maestra. He fell with valor on 2 January 1959.

## The School

The school lies in a valley and is surrounded by small hills typical of the Matanzas countryside. It is composed of the headquarters building, a number of buildings containing lecture halls and classrooms, a guard corps facility and a training area.

It also houses dormitories, a variety of storage and warehouse facilities, a cafeteria and a hospital, fields, volleyball courts, basketball courts, a ball field, etc.

The recreation facilities practically form a complex; they include an amphitheater, a club room, areas for chess and checkers, and an exhibition room. There is also a Lenin-Marti room and resources and equipment used for political work.

This school was built in the record time of 72 days and the construction crew contributed 80,000 hours of voluntary labor. It is used for training leaders of small units and specialists. There are plans to provide at this school systematic military training for members of the defense councils of municipalities and rural zones, as well as for party, state, and mass organization leaders in the province.

## Message for the People of Matanzas

Esteban Lazo gave the central speech at the ceremony. He spoke of the hard work done so that the area would have a center like this, which will help to improve the combat readiness of the province. In addition, he briefly described a series of activities conducted in order to prepare the people for defense.

He spoke of the outstanding participation by the women of Matanzas in the Territorial Troops Militia, which "gives an indication of the revolutionary steadfastness of our women, and of the love all our people feel for our homeland and for socialism, and of our unshakeable loyalty to the Party and to Fidel."

## Meeting with Cooperative Members

After the conclusion of the school's inaugural ceremony, the FAR minister met with members of the "Arturo Suarez" agricultural cooperative, also located in the town of Jovellanos.

Luis Mateu, an alternate member of the Party's Central Committee and head of this agricultural collective, along with

other members of its board of directors, gave Raul a full explanation of its main achievements in a number of areas.

Also taking part in the meeting were leaders of state central administration organizations and the first secretaries of the Party in Matanzas, Cienfuegos, Villa Clara, and Sancti Spiritus, as well as other persons.

7679

CSO: 3248/696

WASHING MACHINE, TV BREAKDOWNS ADDRESSED AT SERVICES MEETING

Havana BOHEMIA in Spanish No 16, 20 Apr 84 pp 57-59

[Article by Alberto Pozo]

[Text] Washing machine service is the worst of all!

This statement was made by the minister of domestic trade, Manuel Vila Sosa, during the plenary session at the Third National Meeting on Services, held at the Superior Institute of the Economy on Mediodia Highway, on Thursday and Friday, 12 and 13 March.

This statement reflects the following situation: there are 72,000 washers now awaiting repair all over the country. The vice chairman of the council of ministers, Antonio Esquivel, also took part in this discussion: "Signals are reaching us in every possible way that this service is getting worse. I alert the technical commissions of each province, which are the major force behind this meeting, to this situation, and I urge them to study the problem and come up with solutions."

Pinar del Rio, through its delegate, Vicente (last names were never mentioned at the meeting because of the degree of familiarity existing between those present), issued this challenge: "I suggest that we do away with the long lists of machines needing repairs." In other words, this means getting rid of the backlog of machines waiting to be fixed.

"There is no cause for gloom," added Vicente. "A washing machine is a very simple piece of equipment. It has four parts. What we need most are wire and varnish."

Milagros Muguercia from the State Committee for Technical and Material Supply, answered: "The supplies are there; the problem is knowing how to plan for their use."



Vila Sosa repeated: "Yes, the supplies are there. We often receive large quantities of the supplies that are ordered all at once. We have to keep people informed of what we have and get it out to them."

Then Isidro Contreras, the vice minister for services, spoke: "I must say that while Pinar del Rio is in the forefront in its washing machine service, there are some large provinces that have done very little: for example, the city of Havana, and Santiago de Cuba.

The city of Havana responded that it has only a third of the washers needing repair: "We can't promise to reduce our backlog. We need ball bearings and we also need varnish. Until the problem of supplies is resolved, the situation will remain difficult."

Luis Lopez, provincial secretary of the Union of Commerce and Gastronomy, was unwilling to tolerate this state of affairs: "We must turn this situation around into a victory."

The province of Havana raised two problems: in order to fix motors and rebuild washers, it is essential to decide on the fee to be paid the workers and to provide reliable sources of supplies.

It was immediately agreed to study the problem and to solve it. This piece of equipment, which frees women from a good deal of housework, is an essential component of the efforts being made to involve women in society's work. That is why it is so important.

In another part of the session, Esquivel again spoke. At this time the reports of the technical commission on laundries and dry cleaning establishments were read:

"From all over, comrades, complaints are pouring in that the quality of service and concern for proper treatment have declined. This is a widespread problem. I propose to you, comrades on the technical commission, that you consider this situation and raise standards."

The participants then agreed to discuss the situation in every workshop, every laundry, and in every dry cleaning shop.

The meeting on services has a particular composition; it consists of members of the technical commission for each of the services. This commission is elected from the mass organization. Its members have a responsibility to study problems thoroughly, to

make suggestions, and bring them to the attention of the administration. This method--which is working well and producing good results--was chosen so that the workers will take an active part in handling service problems.

Laundry and dry cleaning, as well as washing machines, were the two most talked-about subjects at this meeting, because of the service problems. Generally speaking, we can say that quality is improving, despite a variety of difficulties.

For example, a journalist found that many of the problems with "Caribe" television sets are caused by the lack of solid technical skills on the part of the repairmen, especially in the interior of Cuba. Recently a group of mechanics from the factory that makes these sets went to Granma province, because of the large quantity of sets awaiting repairs there, and found that the above-mentioned situation is true.

This example illustrates what Vice Minister Contreras said in his central report, in which he remarked that one weak point is the retraining, or refresher training, of our comrades.

In addition, on some occasions there have been shortages of "Caribe" parts. Also, like any piece of equipment, its quality depends not only on its design but also on the assembly line work, as well as on the efficiency of its components, not to mention the time it spends in storage and the storage conditions. Despite all its problems, the "Caribe" set can be described as a satisfactory piece of equipment which, if none of the above problems exists, may last for years without needing service, unless it is improperly treated in the home.

We should mention that the commissions unanimously agreed to support the proper treatment campaign now being implemented. BOHEMIA is going to follow this up. This reporter personally feels that this is one of the most difficult tasks of all.

Someone said as a joke--or perhaps very seriously--that if we succeed in this, it will be a victory for socialism. It is true that people, when freed from the fear of losing their job and going hungry, as they are in a socialist society, show that they are not always prepared for the difficult art of dealing with the public. In the early days of the Revolution--and the same thing has happened in other socialist countries--patience, tolerance, and a capacity for endurance on the part of a sales

person were viewed as being servile. It is hard to make people realize that services in general (now including any type of business) are an area of great political significance. People need a great capacity for abstract thought and a high level of political awareness to grasp this concept.

And yet, ordinary people measure and receive the benefits of the Revolution through services, including education, public health, culture, and trade: essentially, the entire relation of the human being with society.

Viewed in another way, the worker receives compensation for his work through his wages. And with this intermediate product, he can go out to satisfy his own needs: he can buy a shirt, eat in a restaurant, have a medical examination, or go to a guard unit. It is a psychological fact that he is more pleased by receiving good treatment than by the product which he actually receives, whether it is a medication, a pair of pants, or a dessert. People are like this because of their spiritual nature, and that spiritual nature is what distinguishes human beings from the rest of the animal kingdom.

Good quality is something very worthwhile. In television, at least--we decided to report on the technical commission on television because we could not be in all nine places at the same time--we clearly saw that brigade leaders, who are the ones who must check the efficiency of the mechanics' work, just mark the work "approved." Intense debates took place about how to remedy this situation. We have to be more thorough in our search for quality. Because, what is the use of handling great numbers of repairs if the users, the public, become disgusted with the quality of the work? Then a state of hostility is created, which must be eliminated.

Another aspect related to quality is the issue of receptionists. This was discussed by all the commissions. Wages need to be raised, and it seems that there will soon be a favorable response to this issue. However, the representative of the CEATM [State Committee for Technical and Material Supply], Milagros Muguercia, warned that wage increases alone will not solve the problem. The receptionist must be carefully selected, according to his or her personal ability to provide good treatment, to offer a channel of information to help the public. The receptionist must have a suitable educational and mental level to deal with difficulties. It does seem that people realize this, based on the participants' comments.

There was also discussion about reducing the amount of time the customer is kept waiting, improving labor organization procedures, and asking for a more complete line of tools.

When the meeting was over, the following technical commissions returned home: radio and television; refrigeration and washing machines; dry cleaning and laundry; haircutting and barbering; cooking; watchmaking; footwear; tailoring and alterations; photography and other items. They all returned home, taking with them Vice Minister Contreras' advice: good treatment is a collective result. This means that it depends on the quality of each person doing his or her job.

Perhaps the decision with the most impact for the users is contained in the agreements of the technical commission on radio and television. It was decided that it would be worthwhile to offer a night-time repair service, and to expand the television-rental system, now available only in some areas of the city of Havana, to each of the country's repair shops.

Vila Sosa summarized the conclusions. He spoke of the very special features of services: "This is a very political, very social, very sensitive activity, which affects all the people of our country. And for this reason we have to come up with suitable ways of working so that, while striving for higher profits, we will also manage to increase and improve the levels of both service and quality."

Vila Sosa added: "We could give many examples, but we are going to mention only two: the expansion of night-time service for some specialties; and the rental of television sets and refrigerators while the customer's equipment is being repaired."

In closing, he announced that efforts are being made to improve wage levels, but these improvements will be accompanied by disciplinary regulations which will be discussed during the campaign to provide good treatment, which is now underway.

Chairing this Third Meeting was Jaime Crombet, a member of the secretariat of the Central Committee of the Party.

7679

CSO: 3248/696

LABOR FORCE IN SUGAR DECREASING AS MECHANIZATION GROWS

Havana BOHEMIA in Spanish No 17, 27 Apr 84 p 33

[Article by Ana Maura Carbo]

[Text] Just a little over 10 years ago the sugar cane harvest required 350,000 to 400,000 people to maintain the supply of raw material to sugar mills. Today only 85,000 machete operators are working in the harvest; that is just a fifth of the numbers working in the 1970 harvest. This shows the striking advances made in Cuban sugar cane processing, in which the use of human, technical, and material resources has been improved. Playing vital roles in this excellent work are the CTC [Central Organization of Cuban Trade Unions], the ministry of the sugar industry, the sugar workers union, the Youth Labor Army, and the ANAP [National Association of Small Farmers]. These groups have selected the men with the highest productivity. Productivity has been rising, and to cite only one example, in the past harvest the average per cutter was 291 "arrobas" [25-pound weight], which is 78 more than in the 1980 harvest.

This year the CTC used only 20,000 volunteer cutters, who received a 40 percent wage guarantee while working in the fields. The province of Pinar del Rio harvested its cane without using any volunteers, and in the coming harvest season seven provinces are expected to achieve that objective. Combined with the increase in mechanized cutting, this will enable Cuba to shift thousands of sugar cane cutters to other areas of production and services, while also reducing costs in order to make the sugar enterprises more profitable.

The Time of Machinery

The extremely rapid expansion of mechanization, which started from zero in 1970, has reached about 3,700 combines now. These machines will cut approximately 58 percent of the cane, which will go to the hoppers of the sugar mills. This year 15 new

machines of the KTP-2 type are being tested for green cutting of high-yield cane varieties. This will help to reduce still further the cane that is burned. This new model is now in the fields in the provinces of Havana, Matanzas, Villa Clara, Cienfuegos, and Holguin. All this work, combined with the creation of agroindustrial complexes, involves all of the labor force in both agriculture and industry. The sugar workers union and MINAZ [Ministry of the Sugar Industry] are taking the first steps in order to fill all the job vacancies which arise in industry with their own forces coming from sugar cane agriculture, except for job openings requiring technical or highly skilled personnel.

This new method will make a more integral use of the labor force in the sugar cane industry. While not processing the cane in the mill, the labor force will make repairs, as is done in agriculture. In this way, all the workers will be integrally involved in sugar production. This will help our leading industry to lower its production costs in 1984, and there will be 75 agroindustrial complexes showing a profit.

7679

CSO: 3248/696

DOMINICA

CHARLES REPORTS DECLINE IN TRADE WITH CARIBBEAN

FL300045 Bridgetown CANA in English 2042 GMT 29 Jun 84

[Text] Roseau, Dominica, 29 June, CANA--Dominica's Prime Minister Eugenia Charles denied opposition claims that the island's involvement in last October's Grenada political has led to a decline in trading relations with the rest of the Caribbean and the United States.

Winding up debate in Parliament last night on her 125.3 million E.C. dollar (one E.C. dollar; 37 cents U.S.) budget for fiscal 1984-85, she said the trade position had in fact improved. She said imports from the U.S. had dropped by almost \$7 million from the \$35.7 million in 1980, while exports had increased by some \$100,000 from the 1980 figure of \$797,000 to reach \$896,000 last year.

Former Finance Minister Mike Douglas had charged, without citing any figures, that the country's role in the U.S.-led invasion of Grenada had caused a drop in its trade with the U.S. and Caribbean states. And, he had also criticised Miss Charles' decision to borrow \$37 million from the International Monetary Fund (IMF) 3 years ago.

But Miss Charles said: "I am glad that I was able to get the money from the IMF, or [words indistinct] would have sunk."

The prime minister hinted that another approach may be made to the Washington-based fund for \$4 million to help finance the capital budget.

Parliament approved the budget, which Miss Charles said was the first in 40 years to have a surplus--\$3 million--on recurrent revenue, which has been estimated \$76.2 million, while expenditure has been projected at \$73.2 million.

Emphasis in the Dominica budget has been placed on infrastructural development, mainly roads and bridges on which \$21 million will be spent.

Miss Charles also slapped a 50 per cent tax increase on motor vehicle and driver's licences which she estimated would raise an additional \$40,000 in revenue.

CSO: 3298/1149

## BRIEFS

U.S.-LED GRENADA 'INVASION' HAILED--Roseau, Dominica, 27 June, CANA--Dominica, which played a leading role in the mounting of last October's U.S.-led invasion of Grenada, will again participate in any similar mission to restore democracy in the English-speaking Caribbean should the occasion arise, according to Attorney-General Ronan David. "For those who don't like it, let them be assured that if the occasion arises tomorrow and we have to take the measure again, we will take it," David told Parliament last night. The Grenada mission ousted a radical military junta that had seized power in a coup in which leftist Prime Minister Maurice Bishop and moderate colleagues in his cabinet including Foreign Minister Unison Whiteman were killed. David said the operation was "an absolute necessity." The attorney-general said he had information that certain Dominicans had connections with the short-lived military rulers. He gave no names. Under the ousted left-wing administration in Grenada, several Caribbean leftists took up employment in the government. [Text] [FL282348 Bridgetown CANA in English 1925 GMT 27 Jun 84]

UNEMPLOYMENT REPORTED DOWN--Roseau, Dominica, 29 June, CANA--A government minister has put Dominica's unemployment rate at 13 per cent. Housing Minister Brian Alleyne said a decline from 23 per cent in 1978 had been reflected in a "remarkable increase" in contributions to the island's social security scheme. Speaking at the opening ceremony of a new building, Alleyne said the scheme had over the last 4 years invested 11.3 million E.C. dollars (one E.C. dollar; 37 cents U.S.) in the housing sector, facilitating job creation. [Text] [FL291610 Bridgetown CANA in English 1507 GMT 29 Jun 84]

NEW PRESS SECRETARY--Roseau, Dominica, 3 July, CANA--Former features editor at the state-owned Dominica Broadcasting Corporation (DBS) Steinburg Henry today began work here as the third press secretary of the Dominica Government since it came to office in 1980. [Excerpt] [FL031832 Bridgetown CANA in English 1804 GMT 3 Jul 84]

CSO: 3298/1149



NDP LEADER BRIZAN SEES POSSIBILITY OF PARTY ALLIANCE

Port-of-Spain TRINIDAD GUARDIAN in English 28 Jun 84 p 5

[Text] St. George's, Wed., (CANA): Leader of the National Democratic Party (NDP), George Brizan, says there is still a possibility of his party cooperating in an alliance with two other moderate Grenadian political groups to contest general elections later this year.

Brizan's comments came against the background of a breakdown in talks involving the Grenada National Party (GNP), the Grenada Democratic Movement (GDM), and the NDP. The GNP and the GDM have already agreed to fight the election as "the Team for National Unity (TUN)."

"Last week we resumed discussions which are continuing and I remain optimistic that we can face the polls as united," Brizan told DANA in an interview.

He declined to elaborate on the present discussions, save to say that they centred on "important details."

Political sources said earlier this week that difference over the allocation of constituencies and the choice of deputy political leader of the alliance led to the present impasse.

The sources said the NDP wants seven of the 15 constituencies as well as the deputy political leader job for Brizan requests so far unacceptable to the other groups.

Discussions between the three parties started earlier this year with a view to working together in the campaign for the elections which will be the first since 1976.

The GNP, led by former Premier Herbert Blaize and the GDM led by law lecturer Francis Alexis have already published the TNU manifesto.

CSO: 3298/947

## BRIEFS

POLICE ARREST BANK ATTACK SUSPECT--St Georges, Grenada, 2 July, CANA--Grenadian police have detained two persons, including a former psychiatric hospital patient in connection with two chopping incidents in which six people were injured. The ex-patient, 36-year-old Honare Lewis, was accused of wounding five persons this morning at the state-owned National Commercial Bank. Police claimed that Honare, who was released after the mental home was bombed in last October's U.S.-led military intervention, sat in the bank for about a few minutes before taking out a cutlass from a bag and attacking customers. He was chased by civilians and later cornered about 800 metres from the bank by one policeman and several civilians, eyewitnesses said. Hospital sources said four of the five victims received serious head and shoulder injuries and that the condition of one was critical. One of the victims was treated for minor injuries and discharged, while the other four were kept in hospital. The police said that a woman in her mid-twenties was arrested after slashing another woman's face with a sharpened instrument. [Text] [FL031248 Bridgetown CANA in English 2126 GMT 2 Jul 84]

CALL FOR CONSTITUTIONAL CHANGE--St Georges, Grenada, June 17, CANA--The Patriotic Builders Organisation (PBO) a recently formed political party, says the country's constitution should be amended to curb the powers of the Prime Minister. "What we are hoping to do is have a structure where the Prime Minister can be impeached if he misconducts himself in office," said PBO resident Roy Robertson. According to Robertson, most of the political problems of Grenada should not be blamed entirely on the quality of the politicians but to a great extent on the type of government system which the former colony had inherited from the British. Robertson said the system was structured in a manner which clearly degraded democracy, with the Prime Minister being virtually "untouchable" even if he misconducts himself in office. Robertson, a relative newcomer to the political scene, said he felt the Grenada constitution provides more power for the Prime Minister here than the British and United States constitutions for the leaders of the two countries. [Text] [Kingston THE DAILY GLEANER in English 18 Jun 84 p 7]

CSO: 3298/947

RAINFORD ON CARICOM REGIONAL ECONOMIC EFFORTS

FL302148 Bridgetown CANA in English 1713 GMT 30 Jun 84

[Text] Georgetown, Guyana, 30 June, CANA--Secretary General of the 13-nation Caribbean Community (Caricom) Roderick Rainford says the regional integration movement is at a juncture when its further advancement must be scrupulously planned and pain-stakingly nurtured.

In a message to mark the 11th anniversary of the signing of the treaty of Chaguaramas, which established Caricom, Rainford said the region contains considerable potential for overall growth and development.

"But our environment will not yield its riches to us unless the minds of those of us who inhabit it are attuned and practically oriented to its possibilities."

His message comes as Caricom heads of government prepare for a 4 day summit that will be faced by intractable regional, financial and economic problems.

The secretary general said that the Caribbean people are being called upon to build a posture of faith in their region.

Said Rainford "This integral part of the maturing process of the integration movement, and in the end, the maturity of Caricom, will be nothing more and nothing less than a faithful reflection of the maturity of the regional consciousness of each and every one of us."

Rainford, who assumed office last September, said in his first Caricom Day message that he hoped as the movement advanced into its second decade, "the people of the region will witness and share in the continuous strengthening of the foundations of the integration movement and enjoy an ever increasing flow of practical benefits from greater levels of cooperation and collaboration in Caricom."

He noted that as in earlier years, the 11th year of Caricom has also brought its quota of tests and trials for the integration movement.

But, he pointed out that it was a year in which, once again, a clear demonstration was given of the capacity of Caricom to ride out the storms by which it sometimes finds itself embattled and return to the process of keeping faith with its deep and abiding principles and objectives.

"A most telling indication of this is the fact that even as we celebrate Caricom Day, heads of government of the community convening in the Bahamas for their fifth meeting, in which they will continue the task of charting the way forward for Caricom," he said.

Rainford acknowledged that the region was looking to the heads with optimism to confront the difficulties that must be overcome to make intra-regional trade the firm pillar on which true economic integration is built.

The search for solutions to these difficulties has been exercising the regions best technical minds, he said, and the political commitment to find workable solutions has been clearly demonstrated.

"The community has been engaged in discussion and dialogue on this matter at all levels and the communication process is at work, underpinned by a firm foundation of understanding," Rainford said.

CSO: 3298/1153

# DETAILS OF BURNHAM TRIP, ACCORDS WITH BULGARIA REPORTED

## Views on CARICOM

Georgetown GUYANA CHRONICLE in English 7 Jun 84 pp 1, 5

[Text]

**SOFIA, Bulgaria, (GNA)**  
— President Forbes Burnham said Tuesday there was a need for a deepening of relations among Caricom states and for more emphasis on things Caricom, rather than on tensions within the regional movement.

"Very often tensions emanate from outside the region and serve the interests of others", he warned at a brief impromptu Press conference at Piarco International Airport after a 90-minute meeting with Trinidad and Tobago's Prime Minister George Chambers.

The proposed Nassau meeting of Caricom leaders and bilateral relations between Guyana and the twin-island Republic were among issues discussed by Burnham and Chambers.

Cde. Burnham, on his

way to pay official visits to Bulgaria and China, was greeted on arrival at Piarco by External Affairs Minister Basil Ince. President Burnham and Mr. Chambers also exchanged views on current international political and economic problems.

Questioned at the Press conference about the current climate within Caricom, Cde. Burnham said ups and downs within any regional movement were a must, and moreso against the backdrop of present serious international problems.

He told newsmen that there was need for a real Regional Agriculture and Food Programme. Caricom, Cde. Burnham said, must start producing surplus food for export to extra-regional markets. He mentioned in particular the need for greater exploitation of the region's marine resources.

Caribbean peoples "have tended to believe that agriculture is synonymous with poverty", he noted, but contended that instead it

was linked to prosperity.

Plans to facilitate easier movement of agricultural goods within the region were also discussed by the two leaders Tuesday.

On the Nassau Caricom Summit, which begins July 4, Cde. Burnham said the attendance of all Caricom governments was vital to the Summit's success. He told reporters that he will be attending the July Summit.

And, responding to a query on the possibility of Mr. Chambers staying away from Nassau, the President said the Trinidad and Tobago leader had given no indication of such an intent during Tuesday's discussions.

—(KP)

Georgetown SUNDAY CHRONICLE in English 10 Jun 84 pp 1, 9

[Article by Kamini Persaud]

[Text]

**VARNA: —** Bulgaria and Guyana have agreed to expand bilateral trading relations and to co-operate at the economic, social and cultural levels, President Forbes Burnham said yesterday evening.

Cde. Burnham was responding to questions from journalists at a press conference held in Varna's Golden Sands Residence where he and members of the Guyana delegation are staying.

"Guyana with its rich undeveloped resources can very easily and readily work with Bulgaria with its highly developed human resources and skills. Such co-operation can lead to substantial benefit for both countries," Cde. Burnham explained.

The countries' decision to co-operate will be embodied in a protocol on economic co-operation to be signed today by Foreign Minister Rashleigh Jackson and his Bulgarian counterpart, Petar Mladenov, shortly before President Burnham and the members of the Guyana delegation leave Varna for Beijing, capital of the People's Republic of China.

Cultural and other agreements will also be signed today and a communiqué on the Burnham-Zhivkov talks released.

Cde Burnham told the press conference that his discussions with Bulgarian leader Todor Zhivkov took place in "an atmosphere of friendship." Cde Zhivkov, he added, shared with him, a common perception of the world, especially in terms of the need for world peace and for an end to imperialism in any form.

At last evening's press conference, the President also outlined Guyana's foreign policy, its role within the Non-Aligned Movement,

and his views on likely developments in Latin America and the Caribbean.

Guyana's foreign policy, Cde. Burnham told the journalists, was reflected in Guyana's membership of the Non-Aligned Movement, its insistence on real independence and its co-operation with Socialist countries.

He noted when referring to Guyana's role in the Non-Aligned Movement that one major bloc was particularly suspicious of the Movement because of its unapologetic anti-Imperialist stand. "This stand is understandable since I cannot think of one exception among Non-Aligned (countries) which has not passed through Imperialist domination and suffered from colonialism," he added.

Guyana, he noted, is a significant member of the movement and has been a member of the Co-ordinating Bureau since 1970. For Guyana, Non-Alignment is at the heart of its foreign policy, he said.

On developments within Latin America, Cde Burnham pointed out that current trends point to "the desire of Latin American peoples to be independent, to further their own interests as they perceive them and not be dictated to as to whose interest they should seek to further.

Latin American peoples, he added, will eventually reconstruct their economies, and define their ideological, political and social objectives.

"This is not only indicative of a new approach to independence but is in fact...revolutionary."

On the US role and presence within the Caribbean and Central American region, Cde Burnham said the US intervention in Grenada last October was indicative of the present US administration's unwillingness to permit a country to

pursue its own path to economic and social development.

He also referred to the Nicaraguan situation, noting that those opposed to the Sandinista government allege that communist subversion is responsible for the Central American situation.

Guyana, Cde Burnham stressed, does not share that view. "The problems in Central and Latin America arise from the social structure, the differences of wealth, who controls economic power and to what purpose production is used," he said.

Force, he said would be ineffectual and was not the solution. The solution must be internal, Cde Burnham pointed out adding, that even the Contadora Group which consists of countries, none of which can be described as Communist, have said dialogue is the way out.

The President's programme for today is less hectic as he leaves for Beijing for a five-day official visit.

He will be seen off at Varna airport by President Todor Zhivkov.

Yesterday, Cde Burnham and party visited the Tolhubin agro-industrial complex, not far from Varna.

There, he was greeted by scores of cheering workers, who shouted "Peace and Friendship."

The President last night attended an open-air cultural presentation.

And, Friday night, at a dinner in his honour hosted by Varna's Mayor, Cde. Burnham described Bulgaria as "a land of extremely friendly and hospitable people."

Bulgaria, he said, was "a land of committed, dedicated and hardworking people...a land in which the working class has come into its own."

[GNA]

## Cooperation Agreements

Georgetown GUYANA CHRONICLE in English 12 Jun 84 pp 4-5

[Text]

**BEIJING (GNA)--**  
**President Forbes**  
**Burnham and Bulgarian**  
**Leader Todor Zhivkov**  
**have expressed deep**  
**satisfaction at the**  
**outcome of their**  
**discussions during Cde**  
**Burnham's just-**  
**concluded visit to the**  
**Eastern Balkan States.**

And, in a joint communique issued Sunday in Varna, the two leaders reaffirmed their readiness and determination to deepen and enrich existing levels of co-operation for the mutual benefit of both peoples.

In addition, shortly before the Guyana delegation left Bulgaria Sunday, Foreign Ministers Rashleigh Jackson of Guyana and Petar Mladenov of Bulgaria signed two agreements for co-operation in culture, science and education and for the development of economic co-operation between the two countries. A Barter Protocol was also signed at a ceremony at Varna's Euxinograd Palace.

Also present at the signing ceremony were Presidents Burnham and Zhivkov, Cde Viola Burnham, senior members of the Guyana delegation and senior Bulgarian Government officials.

No details of the agreements were immediately available.

In their communique, the two leaders expressed anxiety over the escalation of the arms race. They noted that any attempt to alter the military strategic balance, including the deployment of new missiles in Western Europe, would lead to further international tension.

The joint communique also referred to the escalation of tension in Central America due to "a

sharp increase in imperialist interference" in the internal affairs of States.

Cdes Burnham and Zhivkov also:

- ★ declared solidarity with the Nicaraguan people led by the Sandinista Front, and, support for the proposals for a negotiated settlement put forward by the Contadora Group,

called for an end to the senseless Iran-Iraq war, and,

called for a total and unconditional Israeli withdrawal from Arab territories as the just and lasting solution to tensions in the Middle East.

The aggressive policy of the racist Pretoria regime was also condemned, with the two leaders reiterating "their unreserved support for the Namibian people led by SWAPO." They also expressed support for the reunification of Korea based on proposals of the Democratic People's Republic of Korea.

Guyana's role within the Non-Aligned Movement was also highly praised by Cde Zhivkov during his talks with the President.

The communique described the Movement as being involved "in the struggle for the consolidation of world peace and security, for understanding, and co-operation between States and against imperialism, colonialism, neocolonialism and racism."

Meanwhile, President Zhivkov, it is understood, has accepted an invitation from Cde Burnham to visit Guyana.

The President visited the People's Republic of Bulgaria from June 6 to 10. He spent two days in Sofia, the Bulgarian capital, flying on June 9 to Varna, a resort on the Black Sea.

## FOREIGN MINISTRY TO HAVE KEY ROLE IN PROMOTING ECONOMY

Georgetown GUYANA CHRONICLE in English 6 Jun 84 pp 4-5

[Text]

**THE Foreign Ministry will be playing a leading role in promoting economic co-operation between Guyana and other countries and in promoting Guyana's economic development, Foreign Minister Rashleigh Jackson said Monday.**

In addition, steps are being taken to ensure that several economic agreements, signed between Guyana and a number of countries, including the DPRK, Brazil and the Soviet Union are implemented, Cde Jackson told a Press Conference.

Answering questions from journalists at a Press Conference at the Ministry's new offices at Takuba Lodge, Minister Jackson also announced that a technical team from the DPRK is due in Guyana next month to further the programme of economic co-operation between Guyana and the DPRK.

The Press Conference was called about a month after Guyana's top diplomats ended their 1984 Heads of Mission Conference which focused on the role of the Foreign Affairs Ministry in the programme of national survival and economic recovery.

*And, at Monday's session, a communique was issued on the Conference which "undertook an intensive and indepth review of Guyana's relations with specific countries and institutions at the regional, hemispheric, and global levels."*

*This year's Conference, the communique said, took place against the*

*background of a world situation characterised by several negative tendencies, among them being a dramatic rise in tensions in international relations.*

"The situation with regard to international economic relations was no less discouraging," it added.

The Conference recognised that an increased emphasis on South/ South co-operation was justified in its own right as a means of creating new and equitable patterns of independent relationships and strengthening of the solidarity of the Group of 77.

Emphasis on South/ South co-operation was exemplified by Guyana's relations with many developing countries such as those in the Caribbean, Argentina, Brazil, Colombia, India, the DPRK, and Yugoslavia, the communique noted.

In addition, the Conference reviewed recent developments in the

Commonwealth Caribbean and noted the significant results in advancing economic co-operation and integration which had been achieved at the Summit meeting held in Port-of-Spain in July 1983.

*The Conference also paid "considerable attention to the invasion of Grenada and its aftermath," the communique said.*

*And, in reply to a question on the issue of recognition for the Interim Administration in Grenada, Minister Jackson explained, that Guyana's decision not to recognise the Interim Administration does not prevent Guyana from having discussions at a multilateral level.*

The Heads of Mission Conference recommended, that Guyana should work with like-minded States for upholding respect for International Law and the Charter of the United Nations.

It further recommended that additional emphasis be placed on the adoption of mechanisms for deterring recourse to militarism, for restoring the principle of ideological pluralism to a place of respectability within the Region and beyond. (GNA).



TUC LEADER SLAMS IMF FOR IGNORING PLIGHT OF WORKERS

Georgetown GUYANA CHRONICLE in English 6 Jun 84 p 8

[Text]

**TRADES Union Congress (TUC) General Secretary Joseph Pollydore has said it should be evident to all by now that the International Monetary Fund (IMF) appears, never to be seriously concerned about the economic and social problems imposed on workers deriving from the Fund's economic prescriptions.**

"I plead full justification for the continuation and even the acceleration of the most stringent criticisms against the IMF until the consciences of those concerned with the management of the Fund recognise that the formulation of the Fund's economic prescriptions should not be carried out in abstract," he told a trade union conference in Jamaica recently.

Cde Pollydore, who was the Caribbean Regional Representative of the Inter-American Regional Organisation (ORIT) to the 21st Congress of the National Workers' Union of Jamaica late last month, declared that IMF prescriptions must be based on the need to ameliorate and not aggravate human sufferings.

"I feel compelled to restate the view that there is full justification for accelerating criticisms against the IMF," Pollydore said in his text released in Georgetown yesterday.

But, Pollydore said, he felt equally compelled to ask "whether we can afford to overlook those negative

developments, within our competence to avoid, which adversely affect production and productivity levels and thereby contribute to the foreign exchange deficiency in so many countries, more so, Third World countries."

He spoke of political divisions, stigmatisation of unions and disregard for trade union rights, among other things, by even private employers, and added: "These are some of the negative developments which not only contribute to the countries' foreign exchange deficiency but to the enslavement of the workers by IMF prescriptions."

Cde Pollydore called for corrective measures "to overcome these negative developments."

"It is my view that a well structured socialist oriented educational programme for the enlightenment of the masses and leaders, including those in the political directorate should help substantially to overcome these negative developments," the TUC General Secretary added.

REPORT ON ANNUAL CONVENTION OF NAACIE IN BERBICE

Georgetown MIRROR in English 10 Jun 84 pp 2-3

[Text] The infamous labour legislation which has serious implications for the workers set the mood of the hundreds of members at the 38th annual delegates conference of NAACIE which ended recently at the Albion Sports Complex Stadium in Berbice.

The 38th annual convention called on trade unions and the labour movement as a whole for urgent and sustained action to protest and reverse the recent anti-labour legislation. In condemning the Labour Amendment Act, NAACIE called for renewed militancy of the workers to fight for its repeal.

The General Secretary report declared that "workers, particularly sugar workers have maintained their militancy" in the last year, which proved a most difficult one in the face of tightening repression on the workers by the regime. The report which was presented by General Secretary N.K. Gopaul made an overall appraisal of the work completed by the union since last year's conference. He spoke of the worsening labour situation; the conclusion of successful agreements between NAACIE and Guysuco for increasing benefits for its members. The report noted that two union members were elected to the Estates Workers Council at Diamond and Albion. The TUC was criticised for allowing SAPIL industries to sack many workers who took strike action to pressure the Company to recognise NAACIE. The TUC was also criticised for allowing the Labour Amendment Act to be passed without protest. Overcoming the initial bitterness generated by the entrenchment of the anti-trade union legislation, delegates developed a deep spirit of resistance which prevailed over proceedings at this two-day conference.

Full Support From GAWU

Messages and greetings to the conference have reinforced NAACIE's place in the working class struggle as an exemplary one which is widely acclaimed. A message from GAWU assured NAACIE of its full support in the latest move to challenge the constitutionality of the Labour (Amendment) Act. Amidst prolonged applause GAWU's representatives Premchand Dass pledged his union's solidarity with NAACIE and reaffirmed the strengthening bonds of unity between the two unions in the sugar industry.

## Full Support From GAWU

Messages and greetings to the conference have reinforced NAACIE's place in the working class struggle as an exemplary one which is widely acclaimed. A message from GAWU assured NAACIE of its full support in the latest move to challenge the constitutionality of the Labour (Amendment) Act. Amidst prolonged applause GAWU's representatives Premchand Dass pledged his union's solidarity with NAACIE and reaffirmed the strengthening bonds of unity between the two unions in the sugar industry.

NAACIE's members were more directly affected by the Labour Amendment Act which nullified a Court of Appeal decision in favour of Sceram Teemal, a NAACIE member in the now historic increment case of Teemal versus Guysuco.

In his welcoming remarks Ashton Chase, Honorary President of the union, said that the legislation 'has sweeping implications for the working class as a whole' but unfortunately 'the electoral road to redress such an unsavoury development no longer exists.' 'Even the legal roads are being blocked,' he added.

The veteran trade unionist, Attorney-at-Law and author of many books on industrial relations and trade union history told NAACIE members that 'our generation has an important duty that is, to remarshal our forces' in this protracted labour battle, without failing 'to employ every constitutional avenue open to us.' Early in his address Ashton Chase, who is also a founder member of the PPP, said that the NAACIE court victory brought jubilation to its members. 'We must win more victories for the workers,' he stressed.

## Two Courses

In his address Dr Roger Luncheon, Secretary of the Guyana Medical Association said that the working class has the responsibility of social transformation; it must be involved in the political life of the nation. Political decisions influence the working class struggle. The decision to choose a path of economic development is a political one with serious implications for the working class. He pointed out that nations in the developing world have two courses of development available, dependent capitalism and socialist orientation.

Sounding a note of caution and warning, Dr Luncheon advised the delegates not to do anything to destroy the TUC, to have one national TUC. The rank and file must be organised to put pressure on the vacillating leadership in the TUC or have them replaced with genuine working class leadership.

He decried the plight of the working class faced with a virtual wage freeze and the rising cost of living. The reality is both a personal and collective tragedy, personal in the sense that the regime has brought to individual members of the working class shame and dishonour, in workers not being able to provide for their families, etc. The crisis causes a collective tragedy, for, as the family falters, so does the society. Our social cohesion is going and the fibre that held this society together has been torn asunder, he declared.

## Need for Unity

In speaking on the need for unity, he mentioned that class considerations determine the basis for unity. It is class consciousness that maintains the integrity of the trade union movement and the credibility of its leadership. The working class has progressed when it has been united as a class. He warned against those anti-working class elements who advocates the non-class conception of unity and the no-ideology theory. These elements are seeking to destroy the working class movement.

Other highlights of the Berbice conference included the Presidential address of Hanoman Mohabeer. A resolution calling for the repeal of the labour Amendment Act was among the ten resolutions passed at the conference. Delegates rejected a motion calling for the withdrawal of NAACIE from the TUC. Greetings and messages were delivered by representatives from the GBSU, GAWU, GMWU, CCWU, GPSU, Trades Union Congress, the Guyana Human Rights Association, and overseas fraternal unions. Seeram Teemal was elected assistant General Secretary and Mohamed Essau as Senior Vice President.

CSO: 3298/948

GUYANA

# TORONTO PPP GROUP REFUTES 'SLANDERS' OF TENNASSEE

Georgetown MIRROR in English 10 Jun 84 p 2

[Text] Earlier this year PPP Executive Committee Member and Member of Parliament Ms Janet Jagan visited Canada where she took part in a number of public functions. The Association of Concerned Guyanese, a PPP support movement in Canada, sponsored what it considers to be a highly successful public meeting in Toronto where Ms Jagan was well received. However, a group in Guyana calling itself the Democratic Labour Movement headed by Tennessee claimed that the meeting was a flop.

The following is the full text of a letter sent to MIRROR by the Central Executive Committee of the Association of Concerned Guyanese (A.C.G.) in reply to Tennessee's slanders:

Dear Comrade,

We wish to reply to the outright lies and distortions appearing in Tennessee's mouthpiece DEMOCRAT, March 1984.

Lie No 1: Tennessee claimed in respect of our meeting that 'Janet Jagan went to Toronto to gloat and the Guyanese people ran her out of town.'

Fact: The public meeting sponsored by the ACG was well attended. THE TORONTO STAR of February 13th, reported, "...the political meeting was attended by more than 300 people.' THE SHARE newspaper of February 14th, stated, "...inside the meeting a host of supporters applauded the words of Jagan.'

Sharing the platform with Janet Jagan were Peter Boychuck of the Communist Party; Dan Heap, Member of Parliament for the New Democratic Party; Ray Stephenson, Executive Member of the Canadian Peace Congress; Oscar Dada of the Democratic Revolutionary Front (FRD) of El Salvador; Jenny Thompson of the Canadian Congress of Women; and Charles Mills of the Jamaican Democratic Association.

Outside the packed auditorium was a group of 25 persons from the Conservative Party of Guyana and the Tennessee support group, GRRS, who staged a joint picketing exercise.

Lie No 2: Tennessee claimed that Janet Jagan had to seek protection from the Canadian police and asked to be escorted through the back door.

Fact: The posse outside wanted to break up the meeting. In a letter to local newspaper the writer John Persaud said, 'as I entered the meeting hall, I heard Tennessee Sr saying he would prevent Jagan from speaking....'

The ACG was informed of this plan two hours before the meeting was scheduled to begin. Although our members were quite capable of handling the rowdy bunch we nevertheless showed respect for law and order by requesting the assistance of the police. Two policemen kept out the troublemakers who were determined to provoke a confrontation. We kept our cool and decided, after the meeting was over and everyone had left, to leave by a side entrance directly for the car park, particularly since Janet Jagan spent considerable time speaking to old friends and had to reach a meeting of Canadian women.

To get an understanding of the hostile mood of the rabble outside, we again refer to the SHARE newspaper which reported that 'the demonstrators passed out leaflets denouncing communism, and verbally accosted those leaving the meeting with anti-communist slogans.'

What Paul Tennessee conveniently did not say was that Janet Jagan entered the auditorium through the front doors, passing right through the pickets!

Lie No 3: There is no connection between Tennessee's DLM and the CPG.

Fact: Keith Moonasar, one of the leaders of the DPG presently in an American jail, wrote a letter to the SHARE newspaper of March 6, 1984, which states, inter alia, 'Last November (1983) our meeting with executives of the GRRS (Tennessee's group), the forerunner of the Guyana Democratic Labour Movement, started out well when policy and strategy were discussed. However, it was not long before a senior executive member of the GRRS requested financial assistance from the CPG.'

The CPG and GRRS staged the joint picketing exercise at Janet Jagan's public meeting!

Lie No 4: Shridat Lakhan, a member of CPG, was never associated with Paul Tennessee.

Fact: Lakhan and Tennessee were both members of the GRRS. Lakhan later broke away because of differences with Tennessee, and joined the CPG.

Paul Tennessee's lies and self-glorification impress no one. We repeat: Janet Jagan's visit to Toronto was a huge success! In addition to the public meeting and press interviews, Jagan was the guest-of honour at the Annual Conference and banquet of the Congress of Canadian Women.

The role of Tennessee's father in the 1960s against the PPP is now history. The son has now taken up the anti-communist mantle like a true 'chip o' de block.'

Central Executive Committee,  
Association of Concerned Guyanese

CSO: 3298/949

WATER CRISIS LOOMS AS ONE OF TWO GEORGETOWN WELLS DIES

Georgetown GUYANA CHRONICLE in English 7 Jun 84 p 1

[Article by Bert Wilkinson]

[Text] One of the only two shallow wells supplying water to Central Georgetown has broken down, reducing the city's daily water flow by one million gallons.

Drilled in the 1960s, the well was expected to last only ten years but it continued to perform "reasonably well" over the last 10 years while the city's population rose dramatically.

The Georgetown Sewerage and Water commissioners fear that the lone well now operational, of an original seven, may also be in its dying stages. The GSWC hope that a new well, being drilled in the Shelter Belt compound will be completed shortly to improve the water supply situation.

Chief Engineer David Dewar said yesterday that the broken down well started bringing up sand last Saturday forcing technicians to close it down for examination. "We will do all the things necessary but I don't think there is much hope," he told the CHRONICLE.

Georgetown is now left with even lower water pressure than residents had been experiencing for the last three years at least. The lone well in operation, with water from four raw water pumps will supply only nine million gallons--at least five million less than the amount supplied in the early 1970s.

With respect to the new well being drilled, General Manager Ronald Rajnarine of the Guyana Water Authority (GUYWA) (which is doing the drilling) said the work will last for another three months "if everything works well." Drilling is being financed by the Dutch Government.

Two other wells to be drilled, one funded by the EEC, and the other with a \$420,000 donation from the New Building Society (NBS), will not start supplying before 1985 March, Cde. Rajnarine said.

CSO: 3298/949

## BRIEFS

**CANE FARMER DEMANDS**--East Berbice--(GNA)--Cane Farmers are asking that incentives be paid to them. The request was made by Cde N. Sukul at a meeting of the Committee held at the Rose Hall Estate Training Centre. It was the first time that the committee, whose membership includes representatives of cane farmers, Guysuco, Gaibank and the Central Government met outside of Georgetown to discuss problems and matters pertaining to the development of peasant cane farmers. Cde Sukul noted that rice farmers, sugar workers and bauxite workers were given incentives and contended that "some form of relief should be awarded to cane farmers who are now faced with the dilemma of high cost of sugar production." Committee Chairman John Ramessara noted that cane farmers contribute over fifteen percent of the national sugar production. He argued that some form of relief should be extended to cane farmers to encourage them to remain in the industry and to help earn foreign exchange for the country. Cane farmers, he added, are "belly-aching" and some are leaving the land. He suggested that the relief should come from the Price Stabilisation Fund, the Sugar Industry Labour Welfare Fund and from the local sale of sugar. Members of the Committee agreed that the matter should be discussed with the Vice-President for Production, Cde Desmond Hoyte. [Text] [Georgetown GUYANA CHRONICLE in English 6 Jun 84 pp 4-5]

**REGIONAL RESIGNATIONS**--The Ministry of Regional Development last night announced the resignations of two Regional Chairmen and one Regional Vice-Chairman. Heading the list of resignations is Cde Fazeel Rayman, Regional Chairman of Region Three, West Demerara-Essequibo Islands. The others on the list are Cde Ian Williams, Regional Chairman of Region Eight--Potaro-Siparuni--and Cde L. Anselmo, Regional Vice-Chairman of Region Seven--Cuyuni-Mazaruni. Reasons for the resignations were not immediately available, but the announcement has served to scotch rumours that both Rayman and Williams had been fired because of complaints about and general dissatisfaction over the quality of leadership they had been providing in their respective regions. The resignations have already taken effect and the respective Regional Democratic Councils are expected to meet shortly to fill the vacancies. (GNA) [Text] [Georgetown GUYANA CHRONICLE in English 6 Jun 84 p 1]

**NATIONAL FOOD COMMITTEE**--A 14-member National Food Advisory Committee, comprising representatives of the Ministry of Health, Town Councils and business organisations, has been formed. Spearheading the Committee is Principal Veterinary Public Health Officer (ag.) Dr. Simpson da Silva. Other members



of the Committee are Government Analyst/Commissioner of Food and Drugs (ag), Gloria Singh, Principal Medical Officer, Dr. Edgar London; Public Health Nutritionist, Cde. Mc Pherson, Chief Environmental Health Officer (Demerara), S. Tulsi, Chief Environmental Health Officer (Essequibo), Cde. Sangster, Chief Environmental Health Officer (Berbice), Cde. Rajmangal, Chief Environmental Health Officer (New Amsterdam Town Council), Cde. Ghani, Chief Environmental Health Officer (Linden Town Council), Phillip Nurse, and Chief Meat and Food Inspector (Georgetown), Cde. Smith are also members of the Committee. The Ministry of Agriculture, the Georgetown Chamber of Commerce and Industry and the Guyana Consumers' Association are also represented. The committee is expected to meet next week to discuss and formalise its objectives. (GNA)  
[Text] [Georgetown GUYANA CHRONICLE in English 9 Jun 84 p 8]

GDR PROTECTION FOR CHINESE--More evidence has reached OPEN WORD that the recent Chinese immigrants enjoy the protection, not only of the People's Republic of China but also of the Guyana state. An OPEN WORD reader reports that a party of eight Chinese persons were purchasing banned goods in Skeldon Market under the escort of a GDF soldier and Mr Braithwaite. Later the whole group boarded a GDF landrover and drove away. Onlookers speculated that the operation was designed to evade police harassment. The Guyana government has not yet explained the presence of the new immigrant restaurateurs. [Text]  
[Georgetown OPEN WORD in English 11 Jun 84 p 2]

CSO: 3298/949

SENATE OK'S BUDGET CALLED 'EXERCISE IN FANTASY'

Senate Approval

Kingston THE DAILY GLEANER in English 16 Jun 84 pp 1, 3

[Text] The Senate in a brief sitting yesterday, the first since the formal State Opening of Parliament in May, approved the Appropriation Act, 1984, the legislative vehicle for budgetary expenditures.

The Act is the annual Appropriation Bill required by sub-section (1) of section 116 of the Constitution of Jamaica. It provides authority for expenditure for the financial year 1984-85, and specifies the manner in which that expenditure is to be allocated to the various services specified in the Schedule. It also provides for the amounts of receipts which may be utilised as appropriations-in-aid in relation to those services.

Piloting the Bill, the Leader of Government Business, the Hon. Dr. Ronald Irvine, said that projected borrowing by the Government for 1984/85 was \$965.6 million (external) and \$220.7 million (internal).

Senator Irvine said that the figures since 1980 were: 1980-81, \$319.2 million (external) and \$700.9 million (internal); 1981-82, \$374 million (external) and \$392.2 million (internal); 1982-83, \$219.1 million (external) and \$725.5 million (internal); 1983/84, \$580.2 million (external) and \$1,091.1 (internal).

Senator Irvine pointed out that the matter was a Money Bill, which is not normally debated by the Senate. But that there would be a State of the Nation debate later this year to afford the Senate the chance to debate the economy.

Senator, the Rev. C.S. Reid (Opposition) said that his side looked forward to the debate.

Tabled in the Senate were Ministry Paper Numbers 19 to 45, as well as: The Rules of the Supreme Court (Attorneys-at-Law's Costs) Rules, 1984 under the Judicature (Rules of Court); and, Rules of the Supreme Court (Probate and Administration) (Amendments) Rules, 1984 under the Judicature (Rules of Court) Act.

## Detailed Analysis

Kingston THE SUNDAY GLEANER in English 17 Jun 84 p 16

[Text]

**In analysing this year's budget, we will ask and then attempt to answer the following:**

1. What is the scope of the budget?
2. What taxation increases will occur?
3. Can the budget be financed?
4. What are the conclusions which can be drawn?

In the tables below, figures shown and described as "This Year" are drawn from the budget documents presented to Parliament by the Prime Minister and "Last Year's" and "Two Year's Ago" are the actual performance for these years — not the budget.

### THE SCOPE OF THE BUDGET

\$3,941 million is a large amount — so large in fact that it is not easy to understand what it means — but it is the amount the government plans to spend this year.

(\$ MILLION)	THIS YEAR	LAST YEAR	2 YEARS AGO	2-YEAR CHANGE %
Total Revenue (Includes CDF)	2,672	1,717	000041,733	54
Total Expenditure	3,941	3,396	2,756	42
<b>BUDGET DEFICIT</b>	<u>1,269</u>	<u>1,679</u>	<u>1,023</u>	24
<b>FINANCED BY:</b>				
Foreign borrowing	965	580	214	350
Local borrowing	221	1,091	730	(70)
<b>TOTAL LOANS</b>	<u>1,186</u>	<u>1,671</u>	<u>944</u>	26
<b>RESOURCE GAP</b>	46			
	<u>1,232</u>			

The scope of the budget can be better appreciated by comparing the changes which are proposed between last year and this year.

%

Increases (decrease) in

Revenue	56
Expenditure	16
Borrowing	(29)
Budget deficit	(24)

The budget proposes that revenue will go up by more than 50%! At the same time expenditure will be controlled to a 16% increase and both borrowings and the budget deficit reduced substantially.

The changes relate to **monetary measurements** — that is the number of Jamaican dollars which will be used to purchase goods at 1984/85 prices.

A material portion of the government expenditure has to be made in U.S. dollars or other hard currencies. The Jamaican dollar cost of such expenditure will have increased by at least 120% as a result of the movement of the official exchange rate from 1.78 to 4.00.

The proposed revenue base for this year is \$955 million greater than last year. To achieve this 56% increase government will have to draw an **EXTRA \$2.6 MILLION A DAY OUT OF THE PUBLIC.**

During 1984/85 if we assume a potential working population of 1.1 million and a total population of 2.25 million, the following table demonstrates the scope of the budget:

\$ / Year	PER PERSON IN	
	Total Population	Working Population
Revenue to be paid	1,188	2,429
Expenditure incurred	1,751	3,583
Borrowing	527	1,078

Government spending is now planned at a level of about \$10 per day for every person in the working force. That is the projected level prior to supplementary estimates.

### **TAXATION INCREASES**

The government revenue is made up of four components

- Tax Revenue
  - Non-tax Revenue — which includes receipts from the Post Office, pension fund contributions, court fines, profits of government companies and user charges.
  - Capital revenue — includes land sales, bauxite royalties and loan repayments.
  - Capital Development transfers.
- This is how these components have moved:

%	Change		This Year	Last Two Years	
	This Year Last/Year	(\$ Million)		Year ago	
34	517	Taxation	2,018	1,501	1,362
127	83	Non-tax Revenue	148	65	55
109	12	Capital Revenue	23	11	22
245	343	CDF and special bauxite	483	140	294
56	955	<b>TOTAL REVENUE</b>	<b>2,672</b>	<b>1,717</b>	<b>1,733</b>

In order to meet the \$545 million of increased expenditure which the government feels obliged to spend (this amount will in every likelihood be increased by supplementary estimates later in the year) — and reduce the budget deficit simultaneously **GOVERNMENT PLANS TO INCREASE ITS TOTAL REVENUE BY OVER 50% IN THIS YEAR ALONE.**

To achieve this startling level of increase government is anticipating.

- a trebling of bauxite levy income
- a doubling of capital revenue
- more than a doubling of non-tax revenue.

It is only after these astronomical increases are achieved that the budget deficit can be maintained by a 34% taxation increase!

This 34% increase in taxation will come

\$ Million	This Year	Last Year	Change
Income Tax	840	674	166
Consumption duty	549	427	122
Customs	177	133	44
Stamp duty	193	109	84
Tax de Sejour	64	12	52
All others	195	146	49
<b>TOTAL TAX</b>	<b>2,018</b>	<b>1,501</b>	<b>517</b>

The largest portion of the taxation increase — surprise, surprise — will come from increasing Income Tax.

Income tax (\$ Million)	This Year	Last Year	Change
Individuals	540	440	100
Companies	300	234	66
<b>TOTAL</b>	<b>840</b>	<b>674</b>	<b>166</b>

Individuals are being asked to pay \$100 million more this year than last year.

The taxation increases proposed are big. In a year when some level of taxation decrease was expected the government is planning to increase taxation by 34% or \$517 million.

One-fifth of that increase is going to come from higher taxation on individual taxpayers. Expect severe discontent unless all of this is to come from widening the tax net rather than increasing tax on existing tax payers.

### **CAN THE BUDGET BE FINANCED?**

The expenditure of a budget is financed by revenue inflows and loans have to be raised to finance the budget deficit — the difference between the level of expenditure and revenue.

The lessons learnt from past years are that —

- government projects unrealistically high levels of revenue
- government projects unrealistically low levels of expenditure
- government, in recent years, always falls short on its expectations of foreign borrowing and ends up financing the budget by abnormally large local borrowings.

Last Year's (1983/84) budget illustrated most of these characteristics.

Revenue fell short by \$272 million.

- Expenditure was controlled to budget levels.
- The budget deficit was larger than expected.
- Foreign borrowings were \$352 million lower than expected.
- Local borrowings were \$770 million higher than expected.

### **Will this year's budget outcome be any different?**

The Minister of Finance is in perhaps the toughest spot he has ever been in. If the budget deficit is allowed to increase he can kiss goodbye to his I.M.F. agreement and to all hope of debt rescheduling and foreign investment inflows.

The expenditure side of the budget appears almost impossible to achieve

### **EXPENDITURE \$ MILLION**

	Change this year	1984/85	1983/84	1982/83
Public Debt	334	1,547	1,213	734
Security	49	317	268	256
<b>Sub-Total</b>	<b>383</b>	<b>1,864</b>	<b>1,481</b>	<b>990</b>
Education	51	549	498	418
Health	19	262	243	220
Agriculture	40	149	109	145
All Others	(51)	1,117	1,168	990
<b>Total</b>	<b>442</b>	<b>3,941</b>	<b>3,499</b>	<b>2,763</b>

Almost 90% (\$383 million) of the total increase in expenditure (\$442 million) goes to satisfy the increase in public debt costs and the increased cost of security.

In other words all other government departments on average get a 3% increase in expenditure.

This is an increase in monetary terms. Take allowance for the change in the official exchange rate which have taken place during the year (1.78 to 4.00) and the local information rate, and it is apparent that the projected level of government expenditure represents the most drastic cut in real terms of government expenditure which has ever taken place in the history of our country.

A simulation of the level of real cut-back might be:

	\$ Million
1983/84 expenditure budget	
excluding debt charges	2,286
Plus (say) 20% local inflation	460
plus additional allowance to allow	
for 125% change in exchange rate	
on (say) 15% of budget	360
	3,106
1984/85 comparable budget	2,394
Shortfall to maintain real expenditure	712

This very crude simulation suggests that to maintain the same level of real services supplied last year, government would need to spend \$712 million more than year than it now proposes to do.

Put another way the 1984/85 budget — excluding debt servicing and on the above assumptions — will only allow government to acquire about 70% of the goods and services it did last year.

To the extent that revenue receipts are lower than expected — and there is every likelihood of this — this expenditure will have to be further cut back. The bauxite levy receipts (measured in J\$) will be automatically inflated by the exchange rate change, but even with that the \$483 million expected seems optimistic.

There is limited provision in the budget to pay for ongoing losses in public companies and really very little to continue to pay subsidies to keep the cost of living down. Social and operational pressures might create an irresistible force to increase expenditure in these two areas.

Government borrowing appear in a way more certain —

	\$ Million	This Year	Last Year
World Bank		247	214
U.S. Government		245	205
I.A.D.B.		53	15
Canadian Government		60	1
Netherland		29	12
Germany		30	17
C.D.B.		14	8
Japan		42	15
Others		217	93
<b>Sub-total</b>		<b>937</b>	<b>580</b>
Local borrowing — Ja. Mtge. Bank		28	
Other		221	1,091
<b>Total Loans</b>		<b>1,186</b>	<b>1,671</b>

Foreign borrowings are now only forthcoming from non-commercial sources (the only exceptions are the anticipated \$221 million of suppliers credit and \$50 million from Banque de Paris which is probably tied to the purchase of some specific capital goods).

The continued heavy dependence on the World Bank and the U.S. Government should be noted. Over half of the country's total foreign borrowings now come from these two sources. The I.M.F. loans go to the Bank of Jamaica and do not appear in the budget as loans.

### **CONCLUSIONS FROM THE BUDGET**

The conclusions to be derived from a financial analysis of the budget are quite frankly terrifying.

To cut back government expenditure by over 30% in real terms in one year is bound to create upheavals and dislocations of an unprecedented level.

It appears that revenue projections are unduly optimistic. Individual taxpayers are unlikely to pay \$100 million more in taxation this year. Bauxite levy projections are optimistic even after allowing for the exchange rate

change. The government is unlikely to obtain \$20 million in court fines! Nor will it get \$24 million as fees from its own entities for guaranteeing loans!

The inevitable ... shortfall in revenue means either further cuts in expenditure or failure of the I.M.F. test.

Government itself — to say nothing of the country — is not ready for this budget. A 30% cut-back in services cannot be achieved unless there is a basic restructuring of government. No such plan has been put to the people so presumably it does.

The budget as presented is an exercise in fantasy. The financial restraint proposed is going to create chaos unless someone really gets down and cuts government departments and admits Government cannot maintain other free services.

Pressure should be put on the government to enter the world of realism and level with the country how its plans to deal with the cut-backs proposed. The budget does not do this.

CSO: 3298/951

LABOR MINISTER ISSUES 5-POINT TRADE PROPOSAL

FL021734 Bridgetown CANA in English 1730 GMT 30 Jun 84

[Text] Kingston, 30 June, CANA--A five-point proposal intended to provide "special treatment" among commonwealth countries in terms of trade and assistance, was put forward by Jamaica's Labour Minister J.A.G. Smith at the recent Commonwealth Ministers of Labour Meeting in Geneva, the state-owned Jamaica Information Service (JIS) said.

Smith called for an "urgent address" to: Increased trade between the smaller and larger commonwealth countries.

Reduction in the restraint against the mobility of labour among commonwealth countries.

Encouragement of higher education and skills training from the smaller countries by a mix of scholarships, reduction of fees charged to commonwealth students, and a more liberal entry policy for students and contract workers from smaller commonwealth countries.

Cooperation by all commonwealth nations at all international organisations with a view to securing the most favourable allocation of organisational resources for lesser developed countries with particular reference to members of the commonwealth.

Provision by the larger commonwealth countries of increased sea and air links with the smaller countries.

Emphasising that all commonwealth countries should regard themselves as being entitled to special treatment in terms of trade and assistance, Smith added "We have all, already, displayed over the last two world wars the ability to fight and die for life, liberty and freedom with dignity.

"Let the same skill, endeavour, and determination be directed to finding a formula to readily and speedily assist those that need assistance in the recognition that poverty anywhere constitutes a threat to prosperity everywhere."

CSO: 3298/1150



SEAGA QUERIED ON STATUS, ROLE OF PARISH COUNCILS

Kinston THE DAILY GLEANER in English 16 Jun 84 p 1

[Text] The Trelawny Parish Council has called on the Prime Minister to "immediately make a policy statement" on the operations and future of Parish Councils islandwide.

At the monthly meeting of the Trelawny Parish Council on Thursday, JLP Councillor George Falconer, who noted with concern "the dwindling autonomy of Parish Councils," called on the Prime Minister Seaga to state clearly the future role of Councils in the administration of the people's affairs.

In support of his colleague, Deputy Mayor Bruce Dale observed that there was an implicit phasing out of Parish Councils but said that if this were the case "Prime Minister Seaga should come out and explicitly state it."

"For the first time, no allocation was made to the Ministry of Local Government in the Budget which must be the signalling of our future irrelevance and insignificance," Councillor Falconer said.

United on the issue, the 14 JLP/2 PNP-member Council sounded the alarm for what they described as the gradual dissipation of the Councils' power.

The Trelawny Parish Council, along with others, have been stripped of their administrative power over the relief employment programme; the National Water Authority has in most cases taken over water supplies; and indications were that road repairs, Public Health and Poor Relief were soon to follow the trend, the Councillors stated.

A resolution calling for the Prime Minister to make a policy statement on the matter was unanimously passed by the Council.

CSO: 3298/952

MERCHANT MARINE LOSSES FOR '83 TOTAL \$4.5 MILLION

Kingston THE DAILY GLEANER in English 16 Jun 84 p 3

[Text] Jamaica Merchant Marine Limited, the State-owned shipping line, lost a total of \$4.5 million last year due to low banana tonnages and reduced level of imports from the United Kingdom.

This was stated in Ministry Paper No 44 tabled in the House of Representatives on Tuesday by the Minister of Public Utilities and Transport, the Hon. Parnell Charles.

JMM transports Jamaica's bananas and bauxite to the United Kingdom and the United States of America, respectively.

During 1981 and 1982 the company earned net profits totalling J\$1.4 million and from 1981 to 1983 it also earned net foreign exchange of US\$6.2 million.

Between 1981 and 1983, the company acquired three additional new vessels; one small bulk-carrier, one roll on/roll off, and one refrigerated container vessel, representing an investment of \$17 million.

The company transports about 30 percent of the island's grain imports and in excess of 40 percent of general cargo to Jamaica from the United Kingdom.

Projections for 1984 to 1986 include the acquisition of two refrigerated vessels, to meet the transportation requirements flowing from the increased tonnage expected from the banana industry and Agro 21.

The company also hopes to acquire one bulk-carrier for the transport of wheat to meet the requirements of the expanded flour mills.

The Ministry Paper said that it was expected that these acquisitions would save the country about U.S. \$8 million in foreign exchange and provide jobs for 65 seamen.

CSO: 3298/952

## GANG WARFARE FLARES; KILLING BY POLICE INVESTIGATED

### Hostile Public Reaction

Kingston THE DAILY GLEANER in English 14 Jun 84 pp 1, 3

[Text] The Police High Command has ordered a top level probe into the fatal shooting of a teenage girl, and the shooting and wounding of a 22-year old man by the police which sparked demonstrations in sections of St. Thomas on Tuesday.

A Special Constable involved in the incident has been suspended from duty and Police Commissioner Joe Williams has ordered that the results of the investigation reach his desk within 72 hours.

The dead girl is Maureen Robinson, 17, of Leith Hall, St. Thomas, and the man, Leroy Sutton of Prospect district, St. Thomas, who is in critical condition in hospital.

Citizens from Prospect and Leith Hall who demonstrated in front of the Morant Bay police station claiming the police brutality, in other areas blocked roads and disrupted electricity supplies in protest against the shootings.

The situation nearly took a turn for the worse during the night when MP for the area, the Hon. Pearnel Charles, Minister of Public Utilities and Transport, went to Leith Hall to address a crowd who were demonstrating against the girl's death.

Reports are that a police jeep with five policemen drove up and told the crowd to get off the streets and fired shots in the air.

Mr Charles and his party had to run into bushes.

The crowd became hostile and Mr Charles who had gone there to supervise the clearing of the blocked roads, had to rescue the policemen from the angry crowd, with the help of his security men.

He stayed in the area until the early hours of the morning and got the citizens to clear the roads.

Residents in Prospect where the incident took place, and say they were eyewitnesses, claimed that murder was done. A member of a four-man police

party which came into the district near midnight Monday had stopped Maureen and Mr Sutton and were questioning them.

They were told to put their hands in the air by the policeman and shots were fired felling them.

Residents say Maureen and Leroy were friends and he was walking her to her home about three quarter of a mile away.

Maureen who was shot in the head was rushed to Princess Margaret hospital where she was pronounced dead on arrival.

Mr Sutton who was admitted with a gunshot wound to the side was in critical condition and yesterday he was transferred to the University Hospital, in what a medical source described as "very serious" condition.

He is paralysed from the waist down, an hospital source said.

An autopsy is expected to be done on Maureen's body tomorrow, the GLEANER learnt.

PIC, in a release yesterday morning said: "About 11.30 p.m. on Monday a police party went to Prospect, St. Thomas, and raided two premises in search of wanted men and stolen goods.

The police party on leaving was fired on by a group of men in ambush.

The police returned the fire and Maureen Robinson, 17, of Prospect and a man and woman were later found with gunshot wounds.

Both were taken to hospital where Miss Robinson was pronounced dead and the man who gave his name as Leroy Sutton, 22, of Prospect, was admitted under police guard on charges of shooting with intent and illegal possession of firearm.

No gun was seized by the police."

In an afternoon release, the PIC said: "As a result of a shooting incident at Prospect, St. Thomas, on 11/6/84 in which Maureen Robinson of the same address was fatally shot, Commissioner of Police, Mr Joe Williams, has ordered a top level investigation into the matter directed by Head of the Criminal Investigation Branch, Deputy Commissioner, Mr Sam McKay.

This investigation will receive immediate attention to ensure that statements, ballistic reports and other particulars are submitted to the Director of Public Prosecutions early for his ruling.

In the meantime, the policeman involved, a Special Constable, has been suspended from duty."

## Gang Activity

Kingston THE DAILY GLEANER in English 16 Jun 84 p 1

[Text] Two men were shot dead by police following the gun wounding of a security guard and the abduction of his common-law wife and two children yesterday, as gang warfare wracked eastern Kingston.

Up to late afternoon the fate of the woman, Rosalie Solomon, 27, and her two children--a boy 3½ years old and a girl 1½--was not known, but police continued the search for them.

Around 9.30 p.m. on Thursday, along Glasspole Avenue in eastern Kingston, gunmen invaded the home of the security guard and shot him. He had to be hospitalized. Then at about 1.30 a.m. yesterday, gunmen again invaded the premises. This time they abducted the woman and children.

Three hours later police raided premises along nearby Dock Avenue and were greeted with gunfire from nine men. In the exchange, the police shot dead two of the men. The others escaped.

The dead were identified as Norbert Grant, alias "Nordo," and Alexander Richards, alias "Natty," both of no fixed address.

Five rounds of .45 cartridges were taken from the body of one of the men, and two spent M-16 shells and 9 mm cartridges from the other, police said.

Also seized by police in the raid were seven spent M-16 shells, a quantity of dynamite, detonator cords and caps.

When the GLEANER visited the area, residents said gang warfare had been going on for months. It had political overtones and most of the business people were closing down by dusk, as gunmen had put a 9 p.m. curfew on the area.

One businessman said he went by the curfew, and even before; as it got near to dark he closed down. "As darkness come, pure gunshots," he said.

Another, a Justice of the Peace in the area, who runs a business, said he placed his trust in God, and tried to secure his business place. He said the Rockfort police station did not have sufficient policemen or vehicles to patrol the area.

CSO: 3298/952

## MANLEY CRITICIZES INEFFECTIVENESS OF FOOD PROGRAM

## Persistence of Poverty

Kingston THE DAILY GLEANER in English 16 Jun 84 p 15

[Text]

The need for the Government to provide money to buffer the rising costs of basic foods has not been wiped out by the food stamps and supplementary food programmes, said the President of the People's National Party, Mr. Michael Manley.

"The combination of the removal of subsidies and the increases in food prices and utility rates is going to reduce consumer spending power drastically; and the social effect is that thousands of families of varying income groups will be pushed to absolute poverty," Mr. Manley added.

Speaking at a news conference at the PNP headquarters last week, Mr. Manley told reporters the economic effect of removing food subsidies was that disposable income would be so severely reduced that several local producers would have no option but to close down their businesses which would also affect revenue inflows.

Given the marginal existence of a large per-

centage of the working population, subsidies on basic foods were vital, he said, adding that the "need for subsidies had not been eliminated by the food stamps and supplementary food programmes."

He said that the plain fact was that many employed low income and lower middle income persons needed the subsidies to ensure basic protein levels for their families.

In a devaluation speech November last, Mr. Manley recalled, Mr. Seaga assured the country that the Government would subsidise basic food items for the next 15 months by money from the windfall profits to be earned by the tourist industry.

The items listed were wheat, corn of cornmeal, animal feed, soya, meal, rice, soya oil, canned mackerel, sardines, herrings, corned beef, dried salt fish, milk solids, Canadian biscuit flour, baking and counter flour, Mr. Manley said.

He quoted paragraph

20 of the Ministry Paper on subsidies which he said noted:

"The incremental costs for these items which arise directly from the adjusted exchange system will be subsidised from the Central Government Budget for the remainder of 1983 '84 through to March 1985. Thereafter (i.e. after March next year) the subsidies will be removed over a two year period."

Mr. Seaga had either forgotten that assurance or he had once again broken his word in parliament, Mr. Manley said.

Animal feed had been increased by 90 per cent, he said as he pointed to percentage increases on other basic items.

The price of these basic commodities would continue to increase as the combination of devaluations, increases in the price of vital inputs as well as the removal of subsidies forced production costs upwards.

Mr. Manley observed that Mr. Seaga, despite his pledge made in Parliament six months ago

to keep the subsidies, made no mention of their removal in his Budget presentation.

Turning to new taxes imposed recently, he said that the Party found puzzling the news items concerning a new tax on insurance companies and banks, no details of which had been revealed.

"It is of concern to us the manner in which this new tax is being sneaked on to the country and has been brought to light. Again no mention of these taxes were made in the recent Budget presentation by Mr. Seaga, hence there is no chance for the country to examine its implications," Mr. Manley said.

## Continued Need for Subsidies

Kingston THE DAILY GLEANER in English 18 Jun 84 p 19

[Text] The need for the Government to provide money to buffer the rising costs of basic foods has not been wiped out by the food stamps and supplementary food programmes, said the President of the People's National Party, Mr. Michael Manley.

"The combination of the removal of subsidies and the increases in food prices and utility rates is going to reduce consumer spending power drastically; and the social effect is that thousands of families of varying income groups will be pushed to absolute poverty," Mr. Manley added.

Speaking at a news conference at the PNP headquarters on Friday, Mr. Manley said that the economic effect of removing food subsidies was that disposable income would be so severely reduced that several local producers would have no option but to close down their businesses which would also affect revenue inflows.

Given the marginal existence of a large percentage of the working population, subsidies on basic foods were vital, he said, adding that the "need for subsidies had not been eliminated by the food stamps and supplementary food programmes."

He said that the plain fact was that many employed low income and lower middle income persons needed the subsidies to ensure basic protein levels for their families.

In a devaluation speech November last, said Mr. Manley, Mr. Seaga had assured the country that the Government would subsidise basic food items for the next 15 months by money from the windfall profits to be earned by the tourist industry.

The items listed were wheat, corn of cornmeal, animal feed, soya, meal, rice, soya oil, canned

mackerel, sardines, herrings, corned beef, dried salt fish, milk solids, Canadian biscuit flour, baking and counter flour, Mr. Manley said.

He quoted paragraph 20 of the Ministry Paper on subsidies which he said noted:

"The incremental costs for these items which arise directly from the adjusted exchange system will be subsidised from the Central Government Budget for the remainder of 1983/84 through to March 1985. Thereafter (i.e. after March next year) the subsidies will be removed over a two year period."

Mr. Seaga had either forgotten that assurance or he had once again broken his word in parliament, Mr. Manley said.

Animal feed had been increased by 90 per cent, he said as he pointed to percentage increases on other basic items. The price of these basic commodities would continue to increase as the combination of devaluations, increases in the price of vital inputs as well as the removal of subsidies forced production costs upwards.

Mr. Manley observed that Mr. Seaga, despite his pledge made in Parliament six months ago to keep the subsidies, made no mention of their removal in his Budget presentation.

Turning to new taxes, he said that the Party found puzzling the news items concerning a new tax on insurance companies and banks, no details of which had been revealed.

"It is of concern to us the manner in which this new tax is being sneaked on to the country and has been brought to light. Again, no mention of these taxes were made in the recent Budget presentation by Mr. Seaga, hence there is no chance for the country to examine its implications," Mr. Manley said.

CSO: 3298/951

## BRIEFS

PNP ON UTILITY STRIKE--The People's National Party has denied any involvement in the industrial action taken by the workers in four public utilities since yesterday. In a statement yesterday signed by General Secretary, Dr Paul Robertson, the PNP said in part: "The People's National Party read with alarm and disgust a report in today's DAILY GLEANER allegedly quoting a member of one of the independent unions in the public utilities negotiations, that the industrial action by workers in the utilities was planned by the PNP and the NWU. The People's National Party categorically denies any involvement in the planned industrial action. Like other sectors of the society, the PNP learnt of the planned industrial action through the media. The People's National Party has checked with the unions involved in the negotiations and they have all stated that no such statement was made to the Press by any officers of such unions involved." [Text] [Kingston THE DAILY GLEANER in English 20 Jun 84 p 1]

MANLEY QUERIES ON IMF--PNP President Mr Michael Manley issued a statement yesterday in which he asked when the first disbursement from the new IMF agreement would be made. The statement was in apparent reaction to a report in the GLEANER yesterday based on IMF sources in Washington and contact with Mr Horace Barber, Governor of the Bank of Jamaica. In the statement Mr Manley accused the Prime Minister of concealing from Parliament the fact that the IMF agreement was "subject to negotiations with the Central Bank of Trinidad and Tobago as well as subject to the findings of a committee with respect to the barter agreement." The Prime Minister in fact did tell Parliament that a new committee in Washington had had to approve barter arrangements between both governments and this had delayed the final IMF agreement. Mr Manley also asked why Mr Seaga did not advise Jamaica that the amount of the loan was going to be less than the \$180 million previously announced. He asked also what would happen if the negotiations with Trinidad ran into difficulty. [Text] [Kingston THE DAILY GLEANER in English 15 Jun 84 p 3]

MONTEGO BAY AIRPORT--A \$400,000 work improvement project, which began on the runway at the Sangster International Airport in Montego Bay in early May, is now complete. Under the project, improvement work has been effected to a large section of the runway, thus ensuring greater safety to aircraft. Plans for the project were first announced by the Minister of Public Utilities and Transport, the Hon. Pearnel Charles, following a tour of the airport on April 26. The project, which was done over a three-week period, was undertaken by Leonard I. Chang Engineering Company. [Text] [Kingston THE DAILY GLEANER in English 15 Jun 84 p 1]



POLICE ARREST 140--Kingston, Jamaica, 4 July, CANA--A total of 140 persons were detained in downtown Kingston between yesterday and today after a police/military cordon was slapped on the area following a series of shootings in which a policeman was killed. The acting corporal died when gunmen fired at him as he went to investigate a store breaking, police reported. A meeting of security chiefs, Police Commissioner Joe Williams and Jamaica Defence Force (JDF) Major General Neish decided to search the area. Police reported an upsurge of violence in the area which is now a pale shadow of the once thriving business district. [Text] [FL051124 Bridgetown CANA in English 2240 GMT 4 Jul 84]

NEW TRANSFORMER--A 100-megavolt transformer said to be the largest to be installed in Jamaica, has been received by the Jamaica Public Service Company, having arrived by ship from Belgium. The giant crate containing the transformer was transported by low-bouy this week from Berth 7, Kingston Wharves to the JPS' Duhaney sub-station which is the main transmission link between the company's two major power generating stations: Hunts Bay and Old Harbour. JPS plans to add another 100 megavolt transformer from Belgium to the Duhaney Sub-station complex. This is scheduled for arrival in September this year. The work when completed is expected to improve the company's capability to transmit power from Old Harbour to Hunts Bay and vice versa into the Corporate Area. "This is particularly important in avoiding power cuts, especially, when we remove our largest generator, the B6, at Hunts Bay for rehabilitation at the end of June," Mr Brian Picken, Managing Director of the Company said. Plans have been finalised, he said, for the company to import two smaller transformers also from the Pauwels Company of Belgium. Each will be of 30 megavolt capacity and will be used on projects in the company's development programme. All these units were obtained by the company through a line of credit given by the Belgium Government to the Government of Jamaica, a press release from the JPS said. [Text] [Kingston THE DAILY GLEANER in English 16 Jun 84 p 3]

KEROSENE PRICE INCREASE--The price of kerosene oil has been increased as of today in accordance with an order signed by Industry and Commerce Minister, the Hon. Douglas Vaz. The increases range from nine cents for the imperial pint in the rural areas to 75 cents more for the imperial gallon for consumers in both urban and rural areas. The order signed by the Minister sets out the maximum retail selling price as follows: In the urban area, consumers will now pay \$3.71 per imperial gallon as against \$2.96 that has been effective since February. For those in the rural areas the new price will be \$3.82 per imperial gallon as against the old price of \$3.07. The price of an imperial quart in the urban area will now be 93 cents, up from 74 cents; whereas in the rural areas it will be 96 cents, up from 77 cents. In the urban area an imperial pint will now cost 47 cents, up from 37 cents; and for the same quantity purchased in the rural areas the price will be 48 cents, up from 39 cents. The maximum refinery billing price will now be \$3.27 per imperial gallon, a JIS release said. The price of kerosene was last increased in February when new operating margins were set for distributors of the product. [Text] [Kingston THE DAILY GLEANER in English 15 Jun 84 p 1]

DECLINE IN PETROLEUM CONSUMPTION--Kingston, Jamaica, 30 June, CANA--Consumption of petroleum products in Jamaica, excluding the bauxite sector, fell by 9,347,205 imperial gallons for the first quarter of this year compared with the corresponding period of 1983, Mining and Energy Minister Hugh Hart said yesterday. This was a 12.6 percent decline in consumption volumes and occurred against the background of substantial increases in the prices of all petroleum products in December 1983. The decline represents a foreign exchange saving of U.S.\$8 million when valued at prices prevailing as at 31 March 1984, Hart said. As a conservation measure, the price increases of 30 December 1983, are beginning to show positive results, he added. The minister said that of particular significance was the decline in the consumption of gasoline, automotive diesel oil, and heavy fuel oil, which together are the most widely used petroleum fuels. Consumption of gasoline fell by 1,853,110 imperial gallons, a 13.3 percent decline, automotive diesel fuel by 4,567,360 imperial gallons, a 32.6 percent decline, and heavy fuel oil, the equivalent of 1,735,790 imperial gallons, a 5.5 percent decline. [Text] [FL021112 Bridgetown CANA in English 2329 GMT 30 Jun 84]

CSO: 3298/950

# PARTS, EQUIPMENT SHORTAGES CUT PRODUCTIVE CAPACITY

Mexico City EXCELSIOR in Spanish 2 Jun 84 pp 4-A, 29-A

[Text] The lack of repairs, parts and equipment has paralyzed almost 50 percent of the industry in the country, according to engineer Emiliano Hernandez Camargo, secretary of science and technology of CNOP [National Confederation of Popular Organizations] and member of the National Academy of Engineering, yesterday. He was about to participate in the Industrial Engineering Congress.

This specialist indicated that the underdeveloped countries--which includes Mexico--spend 30 percent of the value of their exports on payments for rights to use foreign technology.

Hernandez Camargo said that the country has no other alternative than to create its own technology, especially spare parts and equipment that the industries require to operate. He said that since there are no imports, we are forced to learn how to do it, to create our own technology.

He added that we have always followed the easy road which is importing, without providing the opportunity for Mexican talent to develop its creativity. He indicated that the Mexican has enough ability and talent to create and produce the spare parts and equipment that the industries need today.

During the session, Hernandez Camargo repeated that Mexico spends a lot on technology. He gave as an example that 80 percent of the payment of royalties corresponded to the manufacturing sector in 1973. This is a reflection of the low capacity of the industries to generate technology and the inadequate engineering development. In the case of production of capital goods, 65 percent was generated in enterprises that used imported technology.

The speaker concluded that if the ties between engineering and the production system are strengthened, it will help the country over one of its more serious obstacles. If we participate in national objectives, we will have the real possibility of contributing to national development.

Vicente Bayardo Moreno, director of standards of the Secretariat of Commerce and Industrial Development, said that standardization in Mexico has existed for about 40 years. Three basic aspects have to be consolidated: metrology, certification and quality control and setting standards.

He revealed that Mexico now has about 4,500 standards of which 20 are absolutely required for industrialists. They refer especially to products that constitute a risk for the consumer.

ISRAELI COINVESTMENT UNDER STUDY

Mexico City EXCELSIOR in Spanish 24 May 84 pp 4-A, 32-A

[Article by Teodoro Ducach, EXCELSIOR correspondent]

[Text] Tel Aviv, 23 May--Mexico is studying the possibility of developing its in-bond industry through coinvestments with Israel in order to satisfy the domestic market and produce articles for export. This was announced here today by the assistant director of BANAMEX [National Bank of Mexico], Leon Opalin Mielniska.

Opalin heads a Mexican delegation of four public officials and three representatives of the private sector. It is attending the Isratech 84 International Fair which is an exhibit of its newest technological advances in electronics, metallurgy, armaments and computers.

He forecast that Mexico could have income in foreign currency of approximately \$1.2 billion this year for exports manufactured in in-bond plants in the interior of the country.

The assistant director of BANAMEX said that coinvestment with Mexican industrialists could be interesting and attractive to Israel considering the facilities granted by the government like imports of raw materials, elimination of restrictive rules and the geographic position bordering the United States.

He noted that inside Mexico "international competitiveness has been reinforced and intensified" concerning coinvestments in new projects and the industrialists' plans for expansion.

He revealed his hope that Israel share production with Mexico with the possibility that the country "become a jumping-off place" for Israeli technology, assembled in Mexico and sold to the United States which is considered the main Western market.

He explained that in-bond exports are one of the few sectors in which there is great dynamism. "It is so necessary for Mexico because of the monetary adjustment that the national economy suffers." He was clearly referring to the sliding of the peso since the beginning of last year.

The assistant director of BANAMEX mentioned that "there are many industries" that would like foreign coinvestments. The country has adequate infrastructure and intermediate-level manpower.

He said: We want to be a quality assembly country. Mexico is determined to apply production processes with advanced technologies that require more skilled personnel. Possibly 20 percent of the in-bond production is for local consumption.

He indicated that talks have begun with industrialists in electronics and with a tractor factory. It is expected that there will soon be satisfactory results.

7717

CSO: 3248/687

BRIEFS

NEW PHARMACEUTICAL PACKAGING PLANT--Laboratorios Pisa, S.A. de C.V., of Guadalajara, manufacturer of injectable solutions of the highest quality, was visited by celebrities and officials of the federal and state government to inaugurate its new plant for sterile packaging of antibiotics. The new plant of Laboratorios Pisa for sterile packaging of antibiotics was designed with the most modern technology to respond to the strictest quality control and achieve the high reliability that the medical corps in the country requires. [Excerpts] [Mexico City EXCELSIOR in Spanish 3 Jun 84 p 26-A] 7717

VERACRUZ: 35,000 UNEMPLOYED MASONS--Alto Papaloapan, Ver., 24 May--About 35,000 construction workers became unemployed when federal and state projects in the region were suspended, according to Manuel Zamora Castro. After pointing out that important projects like the Cerro del Oro dam have been suspended, the leader maintained that the construction industry is the only sector that does not receive support from the federal government. He also warned that if this situation continues, the number of unemployed will be high in the next 2 months which will affect a large sector of the population. [By Rogelio Freyre] [Excerpt] [Mexico City EXCELSIOR in Spanish 25 May 84 p 38-A] 7717

CSO: 3248/687

STATE OF EMERGENCY EVOKED IN FACE OF UTILITY STRIKE

Governor's Action

Port-of-Spain TRINIDAD GUARDIAN in English 26 Jun 84 p 1

[Text]

**PLYMOUTH, Mon., (AP):**  
MONTserrat Governor David Dale declared a State of Emergency today as a strike by water and electrical workers on this British Caribbean island entered its second week.

The declaration clears the way for the Government to take whatever actions it deems necessary to control the problems caused by the strike, Dale said. Earlier, the Government announced that public schools would be closed today.

The more than 120 workers at the Water Authority and the Montserrat Electricity Services went on strike seeking a 15 per cent wage hike.

The Government says it can only offer five per cent. That's the same raise given civil service employees, who had staged a sickout last May 1 and 2 during their contract dispute.

Much of the island of 12,000 people has been without water since late last week. Several water mains were broken, and water is being trucked from Montserrat's northern end, where water supplies are still plentiful. Islanders have been going to the beaches for bathing and washing clothes.

The unions have disavowed the damage done to the water mains, and offered to send workers to repair the damage.

Electrical power is being curtailed periodically. In this capital, electricity is on only from 8 a.m. to 2 p.m. and 6 p.m. to midnight each day.

Government will take whatever action is necessary, Chief Minister John Osbourne said on national radio.

Osbourne said the strike is causing an islandwide health hazard, and is particularly endangering people who are hospitalised.

Union leaders met with the government last Friday and offered to return to work, if the Government would pay them for the days missed while on strike. The Government refused.

Back-to-Work Order

Port-of-Spain TRINIDAD GUARDIAN in English 27 Jun 84 p 5

[Text]

**PLYMOUTH, Tues., (AP):**  
STRIKING Water Authority workers reluctantly returned to their jobs today, after the Chief Minister warned they might be fired otherwise.

The more than 60 workers returned to work at 8 a.m. Chief Minister John Osbourne went on National Radio late yesterday to order the workers back. The order didn't apply to some 60 striking Montserrat Electric Services workers, who remained off the job.

The water workers first requested assurances from Governor David Dale, that they would be exempt from a ban on public assembly invoked yesterday.

Dale declared a state of emergency on Monday as the strike by water and electrical workers ended its second week.

The emergency broadened police powers and banned assemblies by more than five people. The penalty for violating the assembly ban is a fine of \$1,000 and imprisonment up to three months.

Dale said on radio this morning that workers doing their job were exempt from the ban on public assembly. He also ordered public schools re-opened.

The Water Authority Union on

Monday sent six workers, accompanied by members of the defence force, to repair sabotaged water mains. By this morning, most homes on the island of 12,000 people had water.

Power disruptions continued. Workers at both utilities are seeking 15 per cent pay hikes. The government says it can only offer five per cent.

No incidents of violence had been reported, and many residents privately expressed belief that the situation wasn't drastic enough to warrant a state of emergency.

## INTERIOR MINISTER DISCUSSES POLICE CORRUPTION, TERRORISM

Lima OIGA in Spanish 4 Jun 84 pp 13-16

[Interview with Interior Minister Luis Percovich Roca by Uri Ben Schmucl; date and place not specified]

[Text] In an exclusive interview with OIGA, the minister of interior (and acting prime minister, owing to Mariategui's visit to Paris), Luis Percovich Roca, discussed his thwarted debate with Cesar Hildebrandt, the instances of unethical behavior among the police forces and the current status of the drug traffic and subversion. We offer below a summary of what Percovich had to say on these topics, although during the interview there was also a discussion of his political future. In this regard, Percovich denied the rumors that he had been indicated as Mariategui's successor as prime minister in July; and also claimed that he did not want to be a candidate for the post of secretary general of AP [Popular Action], "because Javier Alva should remain" in that position. He announced that he would try to run for some elective office ("either as a deputy or as a senator"), during the next electoral process. That means that, by September of this year at the latest, he would have to resign from the Interior Ministry to fulfill the constitutional ruling that stipulates that in order to be elected to Congress, ministers must resign from their positions 6 months before the elections. This is the interview:

[Question] Based on a rumor, you agreed to the debate (which was eventually thwarted) with the journalist Cesar Hildebrandt because of the pressure brought to bear by high-ranking officials of the police forces, who felt that they had been hurt by certain press commentaries on alleged unethical conduct. Is that story true?

[Answer] No, there was no pressure from anyone; rather it was my own decision. It so happens that, in this matter, the honor and dignity of the police forces were compromised with political intent, and that is why I felt obliged to take part in the issue.

[Question] Some are of the opinion that it would have been inappropriate for a minister to make himself available for a debate of this kind.



[Answer] I have heard opinions of that sort, but I do not consider that to be the case.

[Question] And why was the debate thwarted?

[Answer] On Thursday afternoon, I met with Mr Hildebrandt at the residence of Dr Alfonso Grados and, after an exchange of views, we agreed that the debate would be held in neutral territory, that it could be carried by all channels which so desired and that it could be attended by reporters from all the media. We also agreed to discuss a topic that I had proposed: police forces and international communism. The second issue, suggested by Mr Hildebrandt, was my effort to bring ethics to the police forces; and the third topic was crime in Peru. It was concerning the fourth issue that the disagreement arose: I proposed that the statements made on the program "Vision" regarding the police forces should be examined, because it was after that program that the possibility of a debate came up. But Mr Hildebrandt claimed that it was impossible to concern ourselves with a specific topic such as the one discussed on his program, noting that he wanted to cover the status of the 55,000 police in the country. Of course, I have no computer in my head enabling me to find out the status of every member of the GC [Civil Guard], GR [Republican Guard of Peru] and PIP [Peruvian Investigative Police]; so I asked Mr Hildebrandt to tell me in advance the cases that he wanted to cover, so that I could obtain documentation and not appear before the public giving evasive replies. This prevented the debate from taking place, because Mr Hildebrandt refused to accept that condition.

[Question] In statements to the media, you said that the criticism of alleged unethical conduct among the police was based on an international communist plot. Isn't it dangerous to consider jouranalists exercising their overseeing function to be members of a sinister international communist conspiracy? Aren't you satanizing the critics?

[Answer] By no means. On the contrary, I receive any individual criticism with pleasure, but I do not regard it as either wise or acceptable to have the institutions criticized. It is definitely necessary to expose and punish the bad elements, but the institutions should not be attacked, because the institutions in themselves are not bad. A distinction must be made between the direct attack of the police forces and reproof of the bad behavior of some of their members. The latter is well directed criticism; the former is political maneuvering.

[Question] Then you agree that there are irregularities?

[Answer] I don't deny that, among the police forces, there are officers and subordinate personnel failing to perform their duty, negligent and committing improper acts. That is why we are penalizing far more drastically than in the past. In the GC, 50 percent more of the officers and subordinate personnel were penalized in 1983 than had been in 1982. During the first 5 months of 1984, 20 percent more penalties were imposed than the number during the

first 5 months of 1983. In the GR, the percentage of officers penalized last year was also 50 percent greater than in 1982; and, insofar as subordinate personnel are concerned, the percentage was 100 percent more. In the PIP, the percentage of officers and subordinates punished was 40 percent more in 1983 than in 1982. So, we are taking firm steps to purge the bad elements from the police institutions. But we must not forget that most members of the police forces are self-sacrificing individuals whose action is praiseworthy. Everywhere (among the Judicial Police, the clergy and the financial institutions) there are good and bad elements. The problem is not an exclusive one for the police forces. The bad elements must be eliminated and the good ones, who are in the majority, must be encouraged and supported.

[Question] Doctor, the difference lies in the fact that neither the clergy nor the bankers carry weapons.

[Answer] That is why I say that the bad elements must be penalized. But the institutions cannot be attacked directly.

[Question] In your view, are the charges made on "Vision" part of the press' overseeing function or, when you spoke of a "communist plot," did you have the program in question in mind?

[Answer] From the manner in which the charges were brought, they gave the impression that there was no firm intention of denouncing unethical conduct. They gave the impression that the intent was not to serve the purpose of overseeing, but rather to discredit the police forces as a whole. This is unquestionably part of what I call an international communist conspiracy to demoralize the police forces.

[Question] In other words, in your opinion Cesar Hildebrandt is an agent of international communism; is that what you are hinting?

[Answer] No, I would not dare make a claim of that kind. I told him personally that when assessments are made of what is going on in the police forces, the least thing that can be asked is that the truth of the statements that are made public be corroborated, and that reports that are not based on the truth not be issued, because that does a great deal of damage to the institutions.

[Question] Would you be willing to debate with Mr Hildebrandt later on?

[Answer] I think that the opportunity has by now gone by and, unfortunately, it was not used by Mr Hildebrandt for a full explanation. The only thing left for me is the clarify the criticism through the different media. Otherwise, I would be lending myself to a situation that is not in keeping with my responsibility as minister.

[Question] Then could we discuss some of the charges made on "Vision"? For example, it is claimed that the retired GC captain, Pedro Alatrasta, who killed

a driver from the Bank of the Nation in Pasamayo, during April 1981, has been seen on several occasions going about freely.

[Answer] The individual that you mention was arrested on the very day that the incident in question occurred, and reported to the Second Judicial Police Zone. A definitive detention was ordered for him on 5 July 1981, and he was sentenced to 3 years in prison for the crime of homicide in the First Correctional Court of Callao. He remained incarcerated until 11 April 1984. So, when he had served his sentence, of course he was released, and the fact that he is going about the streets freely should not attract attention. It was the court which decided how long he was to remain in prison, not the Ministry of Interior.

[Question] And what could you say about the amnesty granted to six Civil Guardsmen implicated in the death of the student, Fernando Lozano Menendez, who died in the GC Second Region, the victim of torture?

[Answer] That incident occurred on 22 February 1978, during the military government. The policemen in question were sentenced by the Second Court of Proceedings in Lima to 2 years in prison; and on 18 December 1979 the military government pardoned them on the occasion of Christmas.

[Question] On the program, it was also claimed that a PIP officer, killer of the mathematician and physicist from Ayacucho, Teofilo Miranda, had been sentenced to 3 years in prison, but is free.

[Answer] It is not true that he has been released. He remains incarcerated, serving his sentence since 3 March 1983; in other words, they were wrong about the facts in this instance too.

[Question] Another case is related to a PIP agent who shot an individual to death for no reason and who is still rendering service at the PIP station in Chorrillos.

[Answer] The agent in question has been charged as the perpetrator of homicide with a firearm, and it was the judge of the 43d Court of Proceedings in Lima that ordered his provisional detention (until the process ended and sentence was passed) at the PIP station in Chorrillos. He is not there at the decision of the PIP nor the Ministry of Interior, but rather by an order from the judge. Do you want us to continue with the charges? Regarding the presumed rape of Mrs Georgina Gamboa by "Sinchis," it was claimed on the program that she appeared in the minister's office 4 and a half months pregnant and that its head, Jose Gagliardi, answered her with improper, offensive comments. If one agrees that the presumed rape took place on 17 January 1981, as the charge stated, and that Georgina Gamboa appeared before the minister 4 and a half months pregnant, one must also agree that this took place in June 1981. Jose Gagliardi just took over the ministry in November 1981, when Mrs Gamboa had given birth. I object to the fact that, on the program, a minister who was not yet serving in the Interior Ministry on the date of the charge was implicated.

[Question] But what can you say about the rape itself?

[Answer] At the time, no charge had been brought in any court, and the internal investigation by the police forces had not brought any results either.

[Question] In any event, and this is proven by the statistics on penalties that you yourself cited at the beginning of this interview, it is unquestionable that not everything is rosy; as is also shown by the recent suicide of a police officer. It is thought among several sectors (and this is a statement that has been picked up by OIGA) that the best solution would be to demobilize the three existing police forces and create a new unified police entity. What is your opinion of this proposal?

[Answer] The proposal is good and acceptable, and possibly in the future such a decision might be made. It is impossible now, because the Constitution does not allow it. In view of the impossibility of carrying out this proposal made by OIGA and other sectors of the nation, over the short term, we cite the need for updating the organic laws on the police forces. Fortunately, Congress has given authorization and soon a law allowing the executive body to issue new organic laws for the Ministry of Interior, GC, PIP, GR and Health of the Police Forces will be promulgated. With these legal instruments, not only shall we avoid confrontations and friction among the police forces, but we shall also make the penalties imposed on the bad elements far more severe.

[Question] Moving on to another topic, that of terrorism, according to reports obtained by OIGA and published during the past 2 weeks, Shining Path is about to begin a "great leap," in other words, to give up the tactics used up until now in order to engage in far more lethal and spectacular terrorism, particularly in urban areas. Is this rumor correct?

[Answer] I agree with what OIGA has stated: It is possible that Shining Path is directing its action to the urban areas and that it has left the rural areas with secondary status. It would appear that the organization has undergone an internal split. I think that, at the present time, subversion is in an obvious period of withdrawal. What we don't know is whether this withdrawal is a result of the police and military action, or simply a tactic.

[Question] What is your personal assessment?

[Answer] That it is a tactical withdrawal and that they are preparing to invade urban areas. This is why we have adopted all the necessary preventive measures, which obviously cannot be published.

[Question] Could you specify what you mean when you speak of a split in Shining Path?

[Answer] There are certain differences in the activity in the provinces where in Shining Path is operating. In some, they behave with extreme cruelty, and

in others, they are more cautious. That gives the impression that the subversive elements are not under a single command, and that there is a difference with respect to methods among sectors of the Shining Path organization.

[Question] Is there any information about a presumed new subversive group that has carried out several attacks in Lima recently?

[Answer] No, I think that this involves the Shining Path members themselves, or a handful of young adventurers seduced by what Shining Path has been doing in Ayacucho.

[Question] In other words, the Shining Path preaching is gaining followers?

[Answer] There is no question that, in the subversion problem, not only does the ideological factor play a major role, but also the difficult economic situation of the country's urban and rural sectors. We must prevent the deterioration from becoming worse. In addition, the government should carry out a psychological campaign to counter the subversive propaganda and that being disseminated by organizations which are ideologically sympathetic toward the Shining Path members.

[Question] Is there updated information on the whereabouts of Abimael Guzman?

[Answer] There is every indication that he has died or is outside Peru.

[Question] Then who is the operational leader of Shining Path?

[Answer] There are several: Mezzich, Osman Morote Best, Hildebrando Huaranca...

[Question] Is there any new evidence which would make it possible to give concrete impressions of the government's repeated claims of an alliance between subversives and drug traffickers?

[Answer] Operation "Bronco," carried out in the Huallaga River area, in which 43 clandestine airports were destroyed, has made it possible to establish the close cooperation between narcos and terrorists. Two of the three focal points of subversion (the Junin/Pasco focal point and the La Libertad/Cajamarca focal point) are located in drug trafficking areas. At the destroyed airports, drug traffickers and subversives who had been living together and confronting the forces of order jointly were captured. In 25 of the 43 airports and drug trafficking focal points which were destroyed, there were combined groups of narcos and terrorists. On the other hand, in a recent air photographic reconnaissance conducted in La Mar Province, six clandestine airports at which narcos and subversives are operating were detected. All the evidence accumulated prompts us to claim with absolute certainty that there is a close connection between the drug traffic and terrorism.

[Question] A little over a year ago, you disclosed to OIGA that only 1 percent of the illegal drug production is seized by the police.

[Answer] Now, approximately 3 percent is being seized.

[Question] ...And, taking this and other details into account, such as the uncontrollable source of corruption represented by these underworld groups, there are some who think that, given the magnitude of the drug traffic, one solution might be the criminalization of the domestic consumption but the legalization of the "exports."

[Answer] Conduct of that kind would represent a total lack of ethics on the part of the Peruvian Government. We cannot concern ourselves only with the human capital in our own country, but we must also be concerned with that of other nations, because we are living in a world that is increasingly inter-related.

[Question] Then what in your opinion is the solution?

[Answer] The elimination of the coca crops and their replacement by food products. To date, we have succeeded in replacing approximately 700 hectares of coca plantations with other crops. The figure is not important per se, but it marks the beginning of a program that will proceed far more quickly in the near future. On Thursday, I had a very interesting conversation in my office with Dominick DiCarlo and Carlton Turner, representatives of the president of the United States dealing with drug trafficking affairs; and they offered us far more effective backing for the eradication of the coca crops, provided the Peruvian Government makes a parallel effort for the suppression of the drug traffic. I believe that the battle against drug trafficking should take place in three areas: suppression, replacement of crops and financial investigation of the individuals associated with this type of shady business. If these three types of action are taken efficiently, jointly with that carried out by the Ministries of Education, Health and Agriculture, I believe that there will be possibilities for progressing successfully with the battle against the drug traffic and the clandestine growing of coca. So long as basic paste and hydrochlorate of cocaine are being produced in Peru, it will be impossible to progress efficiently.

2909

CSO: 3348/476

## TERMS OF NEW FISHING CONTRACT WITH SOVIETS CRITICIZED

Lima OIGA in Spanish 25 Jun 84 p 15

[Text] The contract recently signed by EPSEP [Public Enterprise for Fishing Services] with the Pacific Fishing Enterprise, the intermediary of the Soviet state enterprise "Sovrybflot," would be burdensome for the country, not only in comparison with those of previous years, but even with the one signed by the two enterprises last year. This new contract authorizes a fleet of 10 factory-trawler boats from the USSR to catch 200,000 metric tons of fish during a period of 1 year, with Peru receiving minimal volumes (5 percent) of the production.

The contract just fulfilled was for 55,000 metric tons of fish caught. Of this amount, EPSEP received 9 percent of the frozen fish (4,500 tons) for a price of \$2.2 million, and 12 percent of the fishmeal (3,000 tons), for a price of \$1.08 million. In all, it received 7,500 metric tons of products, for a total price of \$3.28 million.

According to the new contract, EPSEP would receive only 5.1 percent of the frozen fish (10,200 metric tons), for a price of \$5.1 million, 12 percent of the fishmeal (12,000 tons), for a price of \$4.32 million, and 7.5 percent of the oil (150 tons), for a price of \$61,600. In all, it receives 22,350 metric tons of products, for a price of \$9,481,600, in exchange for a permit for 200,000 tons.

As a result of the studies made of the first contract, the technicians estimate that EPSEP should receive the following in this new contract: 20 percent of the frozen fish (40,000 tons), for a price of \$200 million, 35 percent of the fishmeal (35,000 tons), for a price of \$12.6 million, and 40 percent of the oil (810 tons), for a price of \$253,000. In other words, it should receive a total of 75,810 metric tons of products, with a price of \$212,852,000.

There is a difference of over \$200 million to the detriment of Peru between what EPSEP will receive and what it should receive. Is this realistic? Why was a contract so burdensome for the country ever signed? These questions will not be answered until EPSEP publishes the contract signed with Pacific Fishing, and the one signed between the latter enterprise and the Soviet "Sovrybflot."

2909

CSO: 3348/476

OPPOSITION PARTY QUESTIONS ELECTION RESULTS

Rome IPS in English 1925 GMT 28 Jun 84

[Text] Basseterre, 28 June (IPS)--The opposition Labour Party in St Christopher-Nevis, badly mauled in general elections 21 June, has questioned the validity of the results in the twin-island state, formerly known as St Kitts-Nevis.

An editorial in the WEEKLY LABOUR SPOKESMAN, the party's official organ, said it was taking urgent action to discover "all that had gone wrong."

The coalition of the people's action movement (PAM) and the Nevis Reformation Party (NRP) was swept back to power in the premature elections, winning nine of the 11 seats. The coalition held a one-seat majority in the previous nine-member parliament.

Labour Party leader Lee Moore was among candidates of the opposition party who lost their seats in the elections.

The spokesman said Labour Party candidates had "expressed the view that the results published by the supervisor of elections were not a reflection of the support given to the various more?... (yes or no) --Y candidates by the electorate in the elections." [sentenced as received]

On the island of St Kitts, for example, the Labour Party candidates had "rejected the proposition that PAM has more political support in St Kitts than labour," said the newspaper.

The people's action movement won six of the eight seats on St Kitts while the NRP captured all three on Nevis.

Meantime, Prime Minister Dr Kennedy Simmonds today visited the smaller island of Nevis for the first time since the elections.

During the campaign the Labour Party had promised to amend the two-island state's constitution to give more power to St Kitts. The existing constitution gives Nevis its own parliament and separate government.

Simmonds said the relationship between St Kitts and Nevis had worked well so far and joint administration would continue. The existing structure, he added, was "the best type, the best formation for our country and it gives us the best opportunity of maintaining stability, unity and a proper recognition in international circles."



ST. LUCIA

# RESOLUTION OF REGIONAL PROBLEMS WILL HELP NATION

FL300052 Bridgetown CANA in English 1705 GMT 29 Jun 84

[Text] Castries, St Lucia, 29 June, CANA--Director-general of the Organisation of Eastern Caribbean States (OECS), Dr Vaughn Lewis, says the seven-nation regional sub-grouping is anxiously looking forward to a resolution of regional trade problems when leaders of the Caribbean Community (Caricom) meet in the Bahamas next week.

Lewis told reporters last night before flying out to Nassau to take part in meetings leading up to the summit that he expects the main issues will centre around trade-related matters and payments.

"We hope there will be a more generalised discussion that will have the effect of resolving the misconceptions which have caused disagreement among various Caribbean community states," he said.

Intra-Caricom trade declined last year as a result of a number of factors including the suspension of a credit mechanism, Jamaica's introduction of a two-tier currency exchange regime and the decision by Trinidad and Tobago to place imports under license.

"It will be important for the heads to redevelop in common a sense of togetherness which will require some general discussion to clear the air on a variety of topics," Lewis said.

He added that he hoped the summit will provide the atmosphere for that to take place.

He said the danger to St Lucia is not only a serious drop in the number of visitors to St Lucia because of the unavailability of 300 rooms but also the possible loss of confidence in the island by tour operators.

"Tour operators or wholesalers may not feel too confident that adequate rooms will be available in St Lucia, and to avoid a situation where bookings are made without rooms being available. They are likely to choose another destination," Mallet stated.

The minister noted too that even the rooms now available might be difficult to fill because of the uncertainty amongst the tour operators.

The problem is being slightly offset with the opening of 12 additional rooms at the Halcyon Beach Club, and 24 at the islander.

CSO: 3298/1155

## GOVERNMENT ACCUSED OF FALSIFYING UNEMPLOYMENT STATISTICS

Castries CRUSADER in English 26 May 84 p 2

[Editorial: "Government Lies on Unemployment Statistics"]

[Text]

It its Economic Review of 1983 the Ministry of Finance, Planning and Statistics claims that the rate of Unemployment in St. Lucia HAS DECLINED from 27 per cent in 1982 to 25 per cent in 1983.

Every St. Lucian is now fed up to the teeth with the rank dishonesty of official accounts of the economic performance of the country and the activities of the different sectors of the economy. There is a naive tendency or rather a viciously dishonest inclination to blame all negative aspects of the economy on the three years of Labour rule between 1979 and 1982 and to hail all positive aspects as the achievement of the ruling Party since May 1982.

In the past there was need to criticise certain Government officials for deliberately distorting the economic indices to present a glowing picture to the World Bank when the economic realities on the ground were in sharp contradiction to the official statistics. The People gave a rousing endorsement of this condemnation in 1979 when Prime Minister Compton campaigned mainly on the rosiness of the World Bank Report on St. Lucia and lost heavily.

On Page 54 of the Ministry of Finance Review the remarks on the Employment situation in St. Lucia is as follows:

## "EMPLOYMENT

Systematic records of unemployment are not available but the unemployment situation in St. Lucia is widely perceived to have deteriorated since 1980, reflecting the slow-down in the economy evident from that period. The latest study of the employment situation in this country estimated the unemployment rate to have declined from 27 per cent in 1982 to 25 per cent in 1983. However these figures conceal an upward bias on account of the inclusion of a fair proportion of underemployment, which nonetheless points to a grave situation in the overall economy. Such factors as the damage to agriculture wrought by Hurricane Allen, the down-turn in tourist arrivals since 1979, the retrenchment of public sector workers since 1981, the completion of the Hess Oil Terminal and more recently, the declining performance of the manufacturing sector have all contributed in no small measure to the current high level of unemployment.

The population is estimated to have increased by 2 per cent over the previous year to 126,360.

The above account of the Unemployment situation in St. Lucia is so bogus that it is an insult to the people of St. Lucia and to the

international organisations which depend on these statistics for their projections regarding the economy.

First of all the analysis starts with a firm statement that **SYSTEMATIC RECORDS OF UNEMPLOYMENT ARE NOT AVAILABLE IN ST. LUCIA**. This is an undeniable fact and this fact negates all the pretence at cooking figures later to arrive at the conclusion that Unemployment **DECLINED BY TWO PER CENT** between 1982 and 1983. The point that systematic records are not available is followed by a meaningless statement "but the unemployment situation is **WIDELY PERCEIVED** to have deteriorated since 1980". (ofcourse 1980 happened to be the time a Labour Government was in office ( For supposedly serious analysts to make such a nonsensical statement is alarming. If it is **WIDELY PERCEIVED** that unemployment deteriorated since 1980 it is imperative to show whose perception this was and how **widely the perception was held**. The Finance Ministry analysts have moved from the realm of credible figures into the realm of **WIDE PERCEPTIONS**. These might conceivably be the perceptions of persons around the Government it might be those of the politicians currently in office who are determined to grind their axes, it might even be the perception of Finance Ministry officials who are determined to keep their nest-eggs warm. The Ministry was not even analytical enough to have advanced **REASONS** or **FACTORS** determining the **WIDE PERCEPTION** that Unemployment had got worse.

After these bland, unscientific statements the very next line adds to the confusion. It claims that **THE LATEST STUDY OF THE EMPLOYMENT SITUATION IN THIS COUNTRY ESTIMATED THE UNEMPLOYMENT RATE TO HAVE DECLINED FROM 27 PER CENT IN 1982 TO 25 PER CENT IN 1983**. We were told initially that there were no systematic records available and we had to depend on the wide perception that there was a deterioration. Suddenly a new factor is introduced - 'The Latest Study.' This means that there were a number of earlier studies which could not

have depended on systematic records and these were so unreliable that in 1980 we had to resort to "wide perceptions" but in 1983 there was a Study which could have turned up the magical figure of a two percentage point decrease in Unemployment. How convenient this is ? How finely-tuned must this Study have been to come up with a two percent improvement situation? Was this a centrally-direction perception from the Cabinet itself?

It would have been less insulting to the people of St. Lucia if the Ministry had established the origins of "the latest study. They could have told the public who initiated the study, who or what group conducted it? What figures were used in the study? How were the indices compiled? On what random selection was the data collated? What methods were used in the survey which informed the study?

In the absence of this kind of information it is positively dishonest for the Ministry to tell the public glibly that the latest study has **ESTIMATED** that Unemployment has declined by two percent. If we are to judge by the widest perception in the country, all indications among the people on the ground is that the level of Unemployment has climbed even higher than in 1980. The massive lay-offs are eloquent enough so if the Ministry is **ESTIMATING** Unemployment on the basis of "the latest study" it is impossible for them to arrive at so narrow a margin of error to be able to compute a two percent decline between 1982 and 1983, in the face of such obvious determining factors. The figures are clearly bogus.

The Unemployment factor is so important to the economic picture that the Government should refrain from any double-talk or half-truth on this matter. The officials themselves must forget the politics of Government "image" and give an accurate projection of the state of the economy to enable serious persons who wish to plan their business to have a reliable body of statistics to work on.

Many persons involved in Labour relations

are of the clear impression that the entire body of figures relating to Unemployment in St. Lucia is WRONG and INTENTIONALLY MISLEADING. To claim that unemployment is running at 25 to 30 per cent in St. Lucia is quite ridiculous. Almost half of the entire work-force of St. Lucia is out of work and in the Youth Category more than sixty per cent of employable youths have no gainful employment.

But like the Ministry of Finances projections this is only an "educated guesstimate" and cannot be pinned down by accurate statistics. The only difference is that the official Review attempts to deceive by giving a false validity to their guess.

The question of Unemployment in Subsistence-type economies is very complex. There is the factor of Under-employment which seemed to confuse even the writers of the 1983 Review in the type of weighing they gave to it. There is also the factor of DISGUISED EMPLOYMENT and the local phenomenon of the COUDMAIN where actual employment is discounted in terms of food and drink as opposed to the real money income of a Market Economy. So no one is

heaping blame and abuse on our officials for not yet having constructed a reliable index of unemployment but we must lambaste our Government officials who succumb to the proddings of the politicians to give them the type of figures which the politicians would like to see.

The paragraph on Employment in the 1983 Economic Review ended with an almost disjointed last paragraph which simply said: "The population is estimated to have increased by two per cent over the previous year to 126,360."

What exactly does this statement mean? Certainly no attempt was made to link it up. Are the officials saying that the Unemployment figures would have declined by more (probably four per cent) if two per cent more babies were not born in 1983? Or are they explaining the two per cent decline in unemployment?

The public expects more serious presentations from the Government on crucial issues like Unemployment. The public is tired of BLUFF and heaven help us if our Civil Servants have caught the contagion!

## GOVERNMENT CLOSES ACCESS TO BEACHES TO CITIZENS

Castries CRUSADER in English 26 May 84 p 5

## [Text]

As if the Government is hell-bent on destroying the very existence of St. Lucians they have failed to provide the work which would in turn provide the money which St. Lucians need to purchase their food and other basic items of survival. But this is not all! In the face of all these hardships the Government is quietly depriving St. Lucians of certain basic freedoms - like the freedom to march. But that is not all! Now the Government has barricaded all the beaches with heavy slabs of reinforced concrete. The only outlet most St. Lucians had for their frustrated lives in the face of Government bluff was to cool-off on the beaches. To drive out and park near the Reduit Ramp or the Vigie Beach or the old Gros Islet Cemetery near the water-edge. Today that is no longer possible. The Government has physically blocked access to all these beaches and motorists can no longer use this form of recreation.

Enquiries regarding the reason for the blockage yield very little official explanation except that the Parks and Beaches Commission is seeking to prevent persons from taking sand away from the beaches. Of course no one will argue with the need to conserve the beaches but

everyone will protest this high-handed Government action. There are many other ways of policing sand-stealing activities than simply blocking vehicular access. This is the cynical act of an insensitive Government which cares little for the people.

Even in the process of depriving the public of their right to use the beach there is some discrimination. On Reduit Beach the two access points used by the general public - Reduit Ramp and the Old Cemetery - are both closed but the access afforded to members of the Yacht Club of which the Prime Minister himself is a member is open!

Last year an attempt was made by the Management of the St. Lucian Hotel to restrict the use of the Reduit Ramp and the Public simply ripped up the barricades and everyone sang the popular calypso "Tell Jack, this beach is mine and I will bathe any time"! Rumours abound that there is a further project for that site involving relatives of the highest authority in the land and already the motorists are threatening to move every single barricade.

[Editor's Note: In the page 3 column "Queek Quak," CRUSADER of the same date adds: "Psst! St. Lucians are angry that the shipwrecked Government is now blocking access to all beaches so that St. Lucians would not be able to enjoy their birthright. Folks are asking whether the idea is to prevent invasion by mercenaries landing on the beach. But another Grosislet resident said that since the Reduit Ramp is blocked and the Old Grosislet Cemetery entrance is blocked then the only available entrance to the beach is through the Yacht Club entrance...and that is MEMBERS ONLY!"]

CSO: 3298/955

## BRIEFS

'HERCULES' SERVICE--St. Lucia Airways Limited has made the acquisition of a Hercules L-100-20 aircraft, which is intended for use in its freight charter service. The new aircraft, first of its kind to be put into use in the Eastern Caribbean, will operate cargo flights from Miami southwards throughout all the West Indian islands and South America. Its short take-off and landing capabilities will enable cargo to be delivered to and from any and all the islands in the Caribbean, and a linkup with St. Lucia Airways Boeing 707, here in St. Lucia, provides an air cargo-shipping network which is St. Lucia based, providing freight service on an international scale. The introduction of the new aircraft into the commercial freight sector of the St. Lucian and West Indian industrial areas marks the beginning of a new era in cargo transport in the region, a spokesman for the airline said. [Excerpts] [Castries THE VOICE in English 30 May 84 p 2]

CSO: 3298/955

## ST VINCENT AND THE GRENADINES

### BRIEFS

MANPOWER SURVEY--The government of St. Vincent and the Grenadines will carry out a household survey on manpower resources over the next few weeks. A team of trained enumerators will operate under the Statistical Department of the Central Planning Unit, in the Collection of the data. The information on manpower will make a significant contribution to the preparation of government's Five Year Plan. The Central Planning Unit has asked nationals to co-operate fully with the enumerators. All information will be treated with the strictest confidence. The survey will begin on June 25th and will be conducted over a one month period. [Text] [Kingstown THE VINCENTIAN in English 15 Jun 84 p 12]

RURAL DEVELOPMENT--The Organization for Rural Development held a briefing session on its five-year plan for development on Wednesday (June 13) at its Kingstown offices. Co-ordinating Chairman, Jethro Greene told the gathering of technical, community and resource people that ORD's central concept is that, because business operations require credit, markets for agricultural products must be found first, then production must be coordinated to meet market demand. Fifteen crops have been identified which meet ORD's criteria of; farmer familiarity with the crop; crops that have a long storage life; and crops that provide a reasonable profit margin at the contract price offered. Mr Greene gave a short review of the growth of the organization which was formed in 1976 and became a statutory body in 1978. It has a core membership of 300 farmers as well as housewives, teachers and village leaders throughout St. Vincent. The organization is involved with programmes in twenty-six villages, and works directly with 900 farmers. ORD estimates the beneficiaries of its efforts at 35,000 people. Early successes in nutrition and education projects planned with people in rural areas encouraged ORD in 1981 to take a practical (business) approach to farming. Various experiments convinced ORD that "a systematic programme of integrated marketing and development" is possible and necessary for agriculture to become a viable business. [Excerpt] [Kingstown THE VINCENTIAN in English 15 Jun 84 p 12]

CSO: 3298/957



TRINIDAD AND TOBAGO

PRIME MINISTER'S VISIT TO TOBAGO REPORTED, DRAWS FIRE

Link to November Election

Port-of-Spain TRINIDAD GUARDIAN in English 23 Jun 84 p 1

[Text] Prime Minister George Chamber's extended working visit to Tobago starts on Monday.

Although officially billed as such (Mr Chambers will also be in the sister island in his capacity as Minister of Finance and Planning), political observers are convinced that Mr Chambers would be seeking to regain the hold the ruling People's National Movement (PNM) lost to the Democratic Action Congress (DAC) in Tobago.

In 1976, DAC snatched the two parliamentary seats from the PNM in the general elections, a feat repeated in the 1981 polls.

The DAC also trounced the PNM in the first Tobago House of Assembly (THA) elections held in 1980.

Elections for the second term of the THA are due in November and it is felt that, apart from wanting to meet the people and hear their complaints, the November elections will be uppermost in the mind of Mr Chambers as he undertakes the assignment which has been dubbed by some as the "battle to regain Tobago."

'Double Barrel'

Confirming the theory that Mr Chambers' visit will be of a "double barrel" nature is the fact that, unlike his previous visits to areas in Trinidad, his Tobago exercise will be a working and extended one, to be interrupted when necessary, such as to allow him to attend Cabinet and meetings of Parliament.

The official announcement of the start of the visit did not indicate when it would end, heightening speculation that it would be at least one month long.

Also a 12-man committee, appointed by the party and headed by Education Minister Overand Padmore, recommended that the party pay serious attention to the political situation in Tobago.

Part of the section dealing on Tobago pointed out:

"Trend in Tobago creates great deal of concern among PNM Members there--a sliding trend politically--PNM no longer in driver's seat.

"This has led to confusion and frustration. There is a feeling that things are happening in a manner contrary to establish rules and regulations."

The Prime Minister's itinerary as disclosed yesterday gave his activities as follows:

Monday, June 25: Discussions at his office at Jerningham Street, Scarborough (10 a.m.); Luncheon meeting with the Tobago chapter of the Hotel and Tourist Association at Crown Reef Hotel (12.15 p.m.); Meeting with the community at the Black Rock Community Center (4.30 p.m.);

Tuesday, June 26: Parlatuvier Village Council (10 a.m.); Parlatuvier EC School (11 a.m.--12 Noon); Lunch, 12.30 p.m. (private)); Castara Government School 2 p.m. to 2.45 p.m.; Castara Health Centre where Mr Chambers will meet residents (3 p.m.); private dinner.

Wednesday, June 27: Speyside EC School (9.45 a.m.); Speyside Health Centre (10.50 a.m.); National Housing Authority and turning ceremony at Speyside Housing Development (11 a.m.); Lunch at the Charlotteville Rent House (1 p.m.); National Housing Scheme at Charlotteville (2.45 p.m.); Charlotteville Methodist School (3 p.m.); meeting the community at the Charlotteville Community Centre (4.15 p.m.).

He returns to Trinidad on Thursday for Cabinet and Parliament the following day.

Mr Chambers will be accompanied by Cabinet Ministers and other senior government officials who, like the Prime Minister will be in Tobago from tomorrow.

Mr Chambers' visit will be interrupted when he leaves to attend the Caricom Heads of Government meeting in the Bahamas which runs for three days from July 4.

It could not be confirmed last night but it was understood that the reason why next Tuesday's meeting of the Senate was cancelled was due to the Tobago visit by Mr Chambers.

Robinson Charge: 'Provocation'

Port-of-Spain TRINIDAD GUARDIAN in English 25 Jun 84 p 1

[Text] Mr A.N.R. Robinson, chairman of the Tobago House of Assembly, has called on the people of Tobago to maintain their dignity during the visit of Prime Minister George Chambers to the sister isle.

He described the visit to Tobago by the Prime Minister as one of provocation. The fact that the Tobago House of Assembly was "completely by-passed" in the preparations for the visit was a clear indication that the Prime Minister was visiting Tobago in his capacity as Political Leader of the ruling People's National Movement (PNM), he said.

Mr Robinson, Chairman of the Democratic Action Congress which controls the THA, made these comments at the annual national convention of DAC at party headquarters, Blue Gardenia Darrel Spring Road, Scarborough, yesterday.

He charged too that Trinidad and Tobago and the Caribbean were faced with disintegration of whatever unity had been achieved over the years.

Speaking on the state of the nation and the region in relation to the world situation, he analysed the current economic situation in Trinidad and Tobago as mainly due to falling oil prices and lack of foresight on the part of the Government as well as "administrative inefficiency and corruption."

Drawing attention to the growing imbalance between developing and developed countries, he said "very serious and constructive programmes of action are required in the Caribbean and Trinidad and Tobago."

Mr Robinson said that instead the West Indian islands were faced with threatened disintegration of whatever unity was achieved over the years. Programmes of action in Trinidad and Tobago distracted from the underlying causes and the basic requirements of the situation, he added.

"Talk about adjustment is only a superficial approach and merely takes us back to the period just before the beginning of the oil boom.

#### Sustained Strategy

"What is really required is a sustained strategy of diversification and structural transformation which is what we set out to achieve when we attained independence in 1962. The basic situation is, therefore, no different to what it was in 1962.

"Consequently, the Government cannot be expected to deal with the situation and the calls to sacrifice are designed merely to perpetuate their own power," Mr Robinson said.

Theme of yesterday's convention: Tobago fights back for survival, self-expression and real improvement in the quality of life.

Greetings to the convention were aired by Mr Anthony Smart of the Organisation of National Reconstruction, Mr John Humphrey of the United Labour Front and Dr Beau Tewarie of Tapia House Movement.

Referring to comments by Mr Humphrey that the Prime Minister was accompanied by lawmen, Mr Robinson said that the visit was intended to be a visit of provocation and he urged that the people of Tobago should maintain their dignity, "and not react to provocation."

He said: "The fact that the only constitutional and democratic body representing the people of Tobago was completely by-passed in all the preparations for the visit is a clear indication that the Prime Minister is coming to Tobago in his capacity as Political Leader of the PNM.

"If he wanted to be seen as Prime Minister, it is very simple. He should behave as a Prime Minister."

"Public officers should not be used to pursue private ends," he added.

Questioned later whether he would be meeting and holding discussions with the Prime Minister, Mr Robinson said that he knew nothing about the visit. "All I know is what I read in the newspapers."

He said that he was not prepared to speculate on the visit.

Late yesterday DAC held a public meeting at the Scarborough Car Park.

#### Panday Criticism

Port-of-Spain TRINIDAD GUARDIAN in English 26 Jun 84 p 1

[Text] San Fernando: Courtesy demands that the Prime Minister, Mr George Chambers should inform the Tobago House of Assembly about his visit to Tobago.

So said Mr Basdeo Panday, Opposition Leader, when asked to comment on a report that the Tobago House of Assembly was by-passed for the visit of the Prime Minister.

Mr Panday said yesterday: "I am not surprised in what the Prime Minister does because he has not demonstrated so far very much intelligence. He has demonstrated very little regard for democracy in this respect and discourtesy in visiting Tobago without informing the Tobago House of Assembly."

#### Provocation

The Opposition Leader said that such an action should be condemned since it would only worsen the relationship between the two islands.

"And whereas the Prime Minister, as a statesman, should seek to unite the country for political purposes, he continues to divide it," said Mr Panday.

Mr A.N.R. Robinson, Chairman of the Tobago House of Assembly, was reported to have described the visit to Tobago by the Prime Minister as one of provocation.

## Chambers on Prices

Port-of-Spain TRINIDAD GUARDIAN in English 27 Jun 84 p 1

[Article by Clevon Raphael]

[Text] Coming soon--Prices Watch--an entity designed to guide consumers on whether they should pay the prices being asked for a wide range of items.

Prime Minister George Chambers disclosed this to a large gathering at the Castara E.C. School yesterday afternoon while on another leg of his Tobago tour.

And acting promptly on a complaint that the village's community centre could not be used as intended because a man was actually living in it, Mr Chambers said he would issue certain instructions to the police before he left Tobago.

As was the format at Parlatuvier, Castara villagers listed a number of grievances to Mr Chambers and his entourage.

Mr Lloyd Saunders identified lack of telephones, the delay in opening beach facilities, a proper 'bus service and a playing ground as some of the more immediate areas of concern to residents.

Expanding on the 'bus situation, Mr Saunders, who said he was not asking any favours because the village had a lot to be thankful for, explained that the present PTSC 'bus which operated between Scarborough and Castara accommodated ten passengers while at least 25 secondary school students travelled each day to Scarborough.

Samuel Scotland described the precarious Castara Hill Road as "a tragedy" and pleaded with the Prime Minister to do something about it.

David Kerr, in the same vein, moaned that he "lost" two uncles and a cousin on the road.

Replying to the grievances, Prime Minister Chambers said he was informed by the Tourist Board chief, Mr Winston Borrel, that the beach facilities were ready but these were not under the purview of Central Government.

Not Indifferent

He hoped that the body responsible for the facilities--the Tobago House of Assembly--would soon set an opening date.

Pointing out it was not the Central Government to determine the priorities of the THA, Mr Chambers said that in pursuance of the Central Government's responsibility to provide the funds, money had been allocated for roads development in the island.

He was sure, too, that within the next couple months the telephones installed in the villagers' homes would get the "juice" connected.

Turning to the question of prices, Mr Chambers explained that Government was not indifferent about that issue. He cautioned that Government could not control every single item as this would ultimately lead to shortages of commodities and black market prices. But one positive way of tackling this issue was the creation of prices watch, he said.

Mr Chambers observed that within the last month he detected an increasing awareness by consumers to ensure they received value for their money and hoped this attitude would continue.

#### Villagers' Complaints

Port-of-Spain TRINIDAD GUARDIAN in English 27 Jun 84 p 1

[Text] "Trinidad and Tobago is not about to sink as some people would have us believe," Prime Minister George Chambers emphasised yesterday morning.

Addressing an audience comprised mainly of school children at the Parlatuvier E.C. School on the second day of his extended visit to the sister island, Mr Chambers said: "Trinidad and Tobago is not about to disappear, what we need is to recognise that the way we lived in the recent past cannot be sustained because of the present economic conditions."

Mr Chambers, who spoke after village council representatives complained of several problems affecting the 500 villagers, said that some of them (the problems) were not the responsibility of the Central Government.

In an atmosphere reminiscent of the meet-the-people tour initiated by the late Prime Minister, Dr Eric Williams, Mr Chambers disclosed that for the first six months of 1984 Government had allocated \$127.4 million to be spent under various headings in Tobago.

He made this disclosure, he said, in the context of statements he heard that Tobago was getting no money.

Questioning why anyone should get "excited" or "agitated" over his Tobago visit, Mr Chambers added that \$13 million was also allocated for capital expenditure on roads.

Additionally he told residents of the fishing and agricultural hamlet located on Tobago's north side, between January and June 1984 \$5 million was released to relieve unemployment apart from what was provided through the Ministry of Works.

#### Money Shortage

The villagers' main grouses were the lack of pipe-borne water, a new health centre, an adequate bus service, paving of the road leading to the cemetery and a proper entrance to Pine Hill Estate.

Listening attentively to the complaints also were Senator Anthony Jacelon, Minister in the Ministry of Finance with responsibility for the Administration

of Tobago; Senator Muriel Green, Minister of Information, and officials from the Central Administration for Tobago and the Tourist Board.

Prime Minister Chambers, who began his address by saying he loved to be in the company of students since they were not exposed to the divisive force in the country, said they would be surprised when he announced how much money was released for Tobago from 1980 to 1984.

On problems relevant to fishing, the Prime Minister noted he would like to see to what extent a rational programme could be developed on a wider scale.

He reiterated the need for the population to readjust their lifestyles and contended there was a shortage of money in both Tobago and Trinidad.

#### Chambers on National Unity

Port-of-Spain TRINIDAD GUARDIAN in English 28 Jun 84 p 1

[Text] Trinidad and Tobago is not in a real sense experiencing a recession.

Prime Minister George Chambers, in underlining this point at the Charlotteville Community Centre yesterday afternoon, expressed bewilderment why it had become fashionable for Trinidadians in particular to blame him personally for the "recession" which he said, in fact, had international implications and which was causing serious economic dislocations abroad.

Mr Chambers was speaking at another function as part of his extended tour of Tobago, the first leg which came to an end yesterday evening.

The Prime Minister, in winding up his address said he would be interrupting his Tobago exercise for at least ten days after which it would be resumed.

He leaves Tobago this morning to attend the weekly Cabinet meeting and tomorrow's House of Representatives sitting. On Monday, he flies to the Bahamas to attend the crucial Caricom Heads of Government summit.

Repeating his concern about why some people should express anxiety about his Tobago tour, Mr Chambers, who emphasised that no one man can sever the unitary state of Trinidad and Tobago, claimed Trinidad and Tobago had been spared the effects of the recession unlike other metropolitan countries.

He argued that in order to sustain "what we have put in place we need to be a lot more judicious and cautious about large-scale expenditure."

Mr Chambers reiterated the need to earn foreign exchange through exports.

CSO; 3298/959

PANDAY AFFIRMS ALLIANCE COMMITMENT TO NATIONAL PARTY

Port-of-Spain TRINIDAD GUARDIAN in English 26 Jun 84 p 18

[Text]

**SAN FERNANDO,**  
**OPPOSITION** Leader Basdeo Panday, in his capacity as Parliamentary Leader of the National Alliance of Trinidad and Tobago, said that the Alliance remained committed to national unity and the formation of a national party which would include all persons and groups committed to national unity.

Mr. Panday was addressing the Nariva Regional Conference of the Alliance held in Rio Claro last weekend.

He told the conference that once they were all committed to the formation of a truly-national party, they could easily work out the mechanics and the logistics of such an exercise.

"Maybe the time is ripe for calling a national conference on this whole question of national unity and the national party. Such a conference should include all organisations — social, economic and political. The churches, the unions, the farmers, the workers, the self-employed, the

unemployed and the members of all political parties opposed to the oligarchy," he stated.

Mr Panday said: "We do not have much time. The economy is worsening. Suffering and hardships are on the increase. Crime is engulfing the society and the fuse of the social time bomb is shortening too fast for comfort."

He said that in keeping with their search for national unity and in order to keep faith with the people who bestowed so much confidence in the Accommodation, whenever they organised public meetings they invited ONR leadership to share the platform.

"The ONR leadership told us that they were not ready to discuss the question of a national party at this stage. For the time being, they wanted what they called separate development."

**GRASSROOTS**

Mr Panday said by that they meant that each party would strive to strengthen its own organisation at the grass roots and other levels. "We pointed out that this strategy was likely to lead to inter-party rivalry, particularly in those constituencies where both parties

would be working to strengthen its own base. The ONR did not think so."

"We suggested that in order to prevent any possible inter-party conflict at the grass roots we could consider identifying areas where the Alliance would mobilise and areas where the ONR would mobilise. The ONR did not feel that they accepted this as a possible solution. And that's where we're at. But we continue the struggle for the national party."

Stating that without national unity "there is no hope for us and for our children after us," Mr Panday added: "The most pressing problem for us is how to proceed to achieve this national unity."

Human nature being what it is, would be too much to expect that those who thrive on the strategy of divide and rule would want to participate in any struggle for national unity.

He said: "A people freed from physical slavery only to be psychologically re-enslaved by what they believed to be their own, are bound to feel a double sense of alienation. They are our brothers and sisters and we must never forget it."

CSO: 3298/958



HINDU ORGANIZATIONS RESOLVE TO FORGE NEW UNITY

Port-of-Spain TRINIDAD GUARDIAN in English 28 Jun 84 p 1

[Text]

AT A joint session the Sanatan Dharma Maha Sabha and the Vishwa Hindu Parishad have resolved to intensify their efforts at forging a new unity among the Hindus of Trinidad and Tobago.

Pandits and officers met at the Maha Sabha Headquarters yesterday with a view to eliminating areas of disagreement and tension that kept these two largest Hindu organisation apart.

The meeting was chaired by Dr. Omah Maharajh, President of the S.D.M.S., who welcomed Mrs. Rajwantie Teeluckdharry, President General of the Vishwa Hindu Parishad, Sunmat Bajnath, Secretary and other pundits of the Vishwa Hindu Parishad.

At this joint meeting the following areas of co-operation were agreed upon:

- The 1985 Hindu religious Calendar was ratified and it was resolved that all future Hindu Calendars should

emerge out of joint deliberations.

- It was agreed that in 1984, Divali will be celebrated on October 24 and that this date be declared a public holiday.

- It was agreed that the Maha Sabha will recognise Vishwa Hindu Parishad pundits for the purposes of Marriage Licences under the Hindu Marriage ordinance.

- It was agreed that the leadership of both organisations shall meet at regular intervals to iron out areas of tension and discontent and to evolve a strategy of unifying the smaller regional Hindu groups.

Speaking about the results of the meeting, Secretary General, of the Maha Sabha, Sat. Maharaj said, "The Maha Sabha is extremely pleased with this major attempt at Hindu unity. Much of our resources and energy will in future be directed towards unifying all Hindu groups."

CSO: 3298/958

OWTU LEVELS CHARGES AGAINST TEXACO; 'LOSSES' NOTED

Investigation of 'Fraud'

Port-of-Spain TRINIDAD GUARDIAN in English 26 Jun 84 p 1

[Text] Officials of the Oilfields Workers' Trade Union (OWTU) said yesterday that they were investigating allegations of fraud involving Texaco Trinidad Incorporated at the National Insurance Board (NIB).

The union's first vice-president, Errol McLeod said this at the end of yesterday's talks between the Ministry of Labour, Texaco and OWTU.

"We are on the verge of cracking what we consider to be fraud as far as NIB claims are concerned. We are still to examine certain facts but we have information that appears to indicate that the company has been fraudulently receiving money from NIB," he said.

According to Mr McLeod, the OWTU has compiled a report on sick leave and national insurance claims. It was while they were in the process of doing this that they reportedly came upon evidence to support their charge.

Talks on the Labour Ministry, Riverside Plaza, Port-of-Spain, resumed at 2.20 p.m. yesterday after a two-week adjournment. Head of the Texaco team, General Manager Lloyd Austin, was absent. Company representatives said he was ill.

In his absence, Mr Roy St. Rose, chief negotiator and Texaco's Assistant Manager, Personnel Department, headed the company's team.

Mr St. Rose, who is leaving the company shortly to take up Austin's post in Port-of-Spain, said that Texaco had not changed its position on any of the outstanding items. He said that some progress was made on minor issues including the question of berthing and bunkering and craft consolidation.

"Wages were not discussed--it was just mentioned," he said.

Apart from saying that the company had not changed its position on the dismissal of seven workers, Mr. St. Rose declined to elaborate on the issue. He refused to give the exact nature of the charges against the workers.

Minister of Labour, Social Security and Cooperatives, Mr Errol Mahabir, who is presiding over the discussions, reported that the parties talked about everything but wages.

"All other outstanding matters relating to costs were dealt with," he said.

Mr Mahabir said the parties considered the report of the subcommittee formed to look into the question of national insurance as it relates to sick leave. This crucial issue is expected to affect other employers and the Minister said he held separate talks with the NIB on the matter.

He has asked both parties to accelerate talks on the question of craft consolidation so that they can get on to wages.

But union officials continue to express dissatisfaction with the trend of the talks.

Head of the union team, Mr McLeod, said that Mr Austin was supposed to contact him during the two-week adjournment of talks to state his personal position on the dismissal of the workers.

"He has not done that and he did not turn up today," he said.

Mr McLeod said the company's reluctance to reinstate the workers left only two options open to the union. One was to call in the independence arbitrator and the other to use the grievance procedures. Both these procedures are unacceptable to the union.

Mr McLeod said he was not happy with the discussions on this issue and accused the company of continuing to deal in bad faith.

He added, "We are developing new strategies on the dismissals."

As far as wages are concerned OWTU is still insisting on 50 percent over three years.

A date for the continuation of talks at the Labour Ministry has not been fixed. However, representatives of all parties will be meeting in San Fernando tomorrow to discuss craft consolidation. Mr Mahabir will not be attending these talks.

#### Texaco Denial

Port-of-Spain TRINIDAD GUARDIAN in English 27 Jun 84 p 1

[Text]

**SAN FERNANDO:**  
TEXACO Trinidad Inc. has denied allegations of fraud concerning the company and the National Insurance Board.

The company was asked yesterday to comment on a report that the Oilfields Workers Trade Union was investigating allegations of fraud involving Texaco Trinidad Inc. at the National Insurance Board (NIB).

The NIB in San Fernando could throw no light on the allegations. A senior official advised the "Guardian" to get in touch with the NIB's Public Relations Department in Port-of-Spain.

According to Mr Errol McLeod, first vice president of OWTU, complaints were made to the union by its members employed with Texaco Trinidad Inc. that they were not being paid their full sick benefits in accord-

ance with the provisions of the National Insurance Board.

A source close to Texaco said there was a very good relationship between Texaco and the NIB and as a result there could be no question of any improper procedures involved. It was pointed out, too, that the company has its own department to deal with such matters and there was no need to retain a consultant.

## Labor : Congress Probe

Port-of-Spain TRINIDAD GUARDIAN in English 28 Jun 84 p 1

[Text] San Fernando: General Council of the Trinidad and Tobago Labour Congress is expected to meet shortly to have a post mortem on the June 19 Labour Day celebrations.

One of the matters expected to be discussed is the statement reported to have been made by Congress General Secretary Carl Tull about Texaco and the Oil-fields Workers' Trade Union in which he said he was informed that there was a move by Texaco to decertify the OWTU.

That report has since been denied by Texaco but the OWTU wants to know the name of the person who gave Mr Tull the information.

Mr Owen Hinds, President General of Contractors and General Workers' Trade Union, who is acting President of Congress, when contacted yesterday and asked about the feeling of Congress on Mr Tull's remarks, said he intended to ask Mr Tull to call a General Council meeting.

That meeting will be called to discuss the Labour Day celebrations and, according to Mr Hinds, it is likely that Mr Tull's statement will be discussed.

Senator Vernon Glean, President of Congress, was out of the country up to yesterday. He is expected to return by this weekend after attending a conference organised by the International Labour Organisation (ILO) on Geneva.

Mr Tull's statement made on Labour Day has generated lots of interest both within the fold of Congress and outside.

### Credibility

The OWTU, through President General George Weekes, has called on Mr Tull to reveal the name of the person or persons who gave him the information. Texaco has denied that this ever happened.

The OWTU told Mr Tull: "Not only your credibility, but the credibility of the Congress leadership is at stake." Mr Weekes said to Mr Tull [word illegible]: "In our view, the only way to protect that credibility is to reveal the names of the Texaco officials with whom you spoke."

A source close to Congress said that Mr Tull made the remarks in his capacity as General Secretary, and although the credibility of Congress would be challenged, Mr Tull might not reveal the name or names of persons with whom he had spoken. It would be unethical for him to do so.

But the General Council is expected to question Mr Tull on the statement since, by making such remarks, he has involved the entire Congress.

A Congress source said Mr Tull will not be pressured into revealing the names but, at the same time, the General Council must be satisfied that he did so in good faith.

#### Cost of Unrest to Texaco

Port-of-Spain TRINIDAD GUARDIAN in English 28 Jun 84 p 15

[Text]

#### **SAN FERNANDO:**

TEXACO Trinidad Inc. did incur "some loss" as a result of recent industrial unrest, particularly due to the delay associated with the cat-cracker. salaries lost.

Questioned about the loss incurred, a Texaco spokesman said the exact figure could not be determined since the main effects would depend on the relative prices for products in the future. While the workers are back on their jobs, the industrial disputes are yet to be settled — wage negotiations and dismissal of certain employees.

While the company did not state the exact amount in terms of wages and salaries lost by employees during the 23-day industrial unrest, it was learnt that the workers lost approximately \$5 million. The executive of the OWTU is to meet shortly to discuss in the main the dismissal issue and perhaps, devise a plan of action aimed at getting the company to re-instate the workers.

Oilworkers seemed not too worried over the loss because, according to many of them, they knew they would not be paid for their absence from work. Texaco dismissed eight workers, among them union branch officers. The company said that one worker agreed to take his terminal benefits. Another was suspended for two weeks.

Many of them said that they were fighting a cause and in "any battle" there must be sacrifice by some for others to gain. The "struggle" was far more important than wages and But, according to a union source, the OWTU is still fighting the entire issue and is calling for reinstatement of all the workers.

CSO: 3298/958

OPPOSITION ONR BACKS CHAMBERS' FIRM CARICOM STAND

FL060001 Bridgetown CANA in English 2237 GMT 5 Jul 84

[Text] Port-of-Spain, Trinidad, 5 July, CANA--The opposition Organisation for National Reconstruction (ONR) today backed the "firm" stand by the Chambers government regarding Trinidad and Tobago's future relations with its neighbours in the Caribbean Community (Caricom).

But ONR spokesman Lennox Raphael said while this country "has to take care of its own" in view of a declining economy, it should not abandon its role as the leader in Caricom.

"We agree that Trinidad's stand must be firm," said Lennox in a statement. The ONR is not represented in the House of Representatives but gained 23 per cent of the votes at the last election in 1981.

Prime Minister George Chambers yesterday told his Caricom colleagues meeting in the Bahamas that Trinidad and Tobago was reassessing the costs and benefits of regional integration.

Chambers also indicated that Port-of-Spain was fed up with the "villification" it has been getting from other Caricom states it had done so much to help.

"Trinidad and Tobago is the leader in the Caribbean and must at all times rise up to assume this responsibility," the ONR statement said.

The ONR called on the Chambers administration to work towards healing present conflicts within the 13-nation grouping which basically have their roots in a thorny trade impasse.

"We must get down to the nitty gritty which is trade which stimulates employment and leads to income generation and economic expansion and a better quality of life for all, Raphael said.

CSO: 3298/1156

BRIEFS

MORE ON PADMORE REPORT--Discussions on the Padmore report were not completed when the General Council of the ruling People's National Movement, under the chairmanship of Mr Francis Prevatt, met at Balisier House, Port-of-Spain, yesterday. A major portion of the report was dealt with. The remainder is expected to be completed during the next convention expected to be held in Tobago on a date to be announced. The 12 man Padmore committee was set up to examine the role, function and perspectives of the PNM which has been governing the country since 1956. At a conclusion of yesterday's session, party members joined with members of Party Group No 15, Port-of-Spain North Constituency, in paying tribute to Education Minister Overand Padmore, representative for Port-of-Spain, North who was adjudged Father of the Year. He was presented with a plaque by the group's Chairman, Mrs Judy Arismandel. When the Padmore report was presented early last month, it was submitted to the General Council which immediately started discussions which were adjourned to yesterday. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 25 Jun 84 p 1]

TRINIDAD VISITORS FOR TOBAGO--Tobago hoteliers want tax free incentives to be granted to Trinidadians to encourage more visitors from Trinidad to the sister island. This was told to Prime Minister George Chambers by the Tobago chapter of the Hotel and Tourist Association. Mr Chambers held a luncheon session with the association--the first group he met at the start of an extended working visit to Tobago. The session took place at the Crown Reef Hotel two hours after the Prime Minister held discussions with officials at the Ministry of Finance and Planning in Scarborough. Leading the association's team was its public relations officer, Mr Mike Charbonne, managing director of the Turtle Beach Hotel. Mr Chambers, after listening to the hoteliers' plight, said he would take note of their submissions. Later in the day, the Prime Minister and his party met the community at the Black Rock Community Centre. Today the programme starts at 10 a.m. at the Parlatuvier Village Council where Mr Chambers will again meet the community, and at 11 a.m. is scheduled to be at the district's Anglican school. Castara Government School will be visited at 2 p.m. and from 3 p.m. the Prime Minister will meet the residents of Castara at the Castara Health Centre. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 26 Jun 84 p 1]

ROW OVER FOREIGN CONSULTANTS--Decision of the Trinidad and Tobago Electricity Commission to employ foreign consultants to assist in a joint job evaluation exercise with the Oilfields Workers' Trade Union (OWTU) is the subject of the

dispute now before the Minister of Labour. The matter was referred to the Ministry of Mr Horace Noray, Executive Officer of the union's Northern Branch. Mr Noray has asked Mr Leslie Williams, Director of Labour Administration at the Ministry to conciliate in the dispute. His request is contained in a letter dated June 14. According to the union official, problems arose following a unilateral decision by TTEC to employ an American firm, Hays Associates, for the evaluation exercise. This followed an agreement with the union to employ the local firm of Clyde James Management Processes Limited to do the job. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 26 Jun 84 p 18]

TEAM FOR CARICOM MEETING---Three Ministers will be with Prime Minister George Chambers at the Caricom Heads of Government meeting to be held in the Bahamas next week, from July 4 to 7. They are Mr Errol Mahabir, Minister of Labour, Social Security and Cooperatives; Senator Dr Basil Ince, Minister of External Affairs, and Mr Desmond Cartey, Minister of Industry, Commerce and Consumer Affairs. All three Ministers were official delegates with the Prime Minister at the last two Caricom meetings in Jamaica and later last year in Trinidad. Other members of the delegation who were also on the last two official teams are Mr Frank Barsotti, Permanent Secretary, Ministry of Finance and Planning; Mr Lennox Ballah, Permanent Secretary, Ministry of Education; Dr Euric Bobb, Deputy Governor of the Central Bank; Mr Frank Rampersad, President of the National Institute of Higher Education, Research, Science and Technology (NIHERST). Both Mr Mahabir and Dr Ince are expected to leave today to attend a Foreign Ministers' meeting beginning tomorrow in preparation for the Caricom Summit. The Council of Ministers will meet from July 1 to 3 and Dr Cartey will join them for the meeting. According to sources, Prime Minister Chambers is expected to fly out on Monday for the Bahamas. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 28 Jun 84 p 1]

LEAVE FOR BURROUGHS---Police Commissioner Randolph Burroughs is going on 243 working days vacation leave with effect from Monday. Mr Burroughs, who has about 21 months leave to his credit, goes on eight months of this amount in order to get a little rest after his very hard work during the past seven years round-the-clock activity. It is understood that during his absence his senior Deputy Commissioner, Mr Clive Sealey will act as Commissioner. Mr Burroughs spoke about his vacation to a number of policemen, including the 16 new sergeants and 17 corporals whose promotion he announced during a simple ceremony at the Gymnasium, Police Training College, St James Barracks, on Tuesday evening. The Police Commissioner told the newly promoted men that they were now leaders, that leadership was a rare quality which called for integrity, knowledge, courage, decisiveness, dependability, initiative and tact, among other things. [Text] [Port-of-Spain TRINIDAD GUARDIAN in English 28 Jun 84 p 1]

CSO: 3298/960

END